



Daily Report

East Asia

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Japan

Outlook for Auto Negotiations Examined

OW2206120095 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 22 Jun 95 Morning Edition p.3

[Unattributed article: "Major Automakers Shape Voluntary Plans, MITI Denies Optimism"]

[FBIS Translated Text] On the eve of Japan-U.S. vice-ministerial talks on automobiles beginning 22 June, senior officials of five major automakers and the Ministry of International Trade and Industry [MITI] left Japan for Geneva. Toyota Motor Corporation, Nissan Motor Company, and Honda Motor Company have drawn up their voluntary plans that indicate their willingness to expand their overseas production of cars and increase the ratio of their local content in the United States. MITI is poised to settle the Japan-U.S. auto negotiations by presenting the voluntary plans to the U.S. Government. These days, however, MITI is frantically trying to rule out any optimism while studying ways to map out a package of measures to help automakers prepare for sanctions by the United States. In this way, MITI is employing a stick-and-carrot strategy. There is subtle discord between MITI and the auto industry, which strongly hopes for a compromise with the United States. It is still unpredictable how the vice-ministerial talks on automobiles will proceed.

The voluntary plans of the three automakers have been shaped on the basis of their overseas business plans that have already been announced, and what is notable in the voluntary plans is the increase in the ratio of local parts in the United States. Nissan's voluntary plan indicates a possibility that the automaker could increase its local content by using an auto engine plant in the United States which is to be put into operation in 1997. Honda already announced last summer a voluntary plan to boost car production in North America.

Though U.S. Trade Representative Kantor is showing no willingness to soften his negotiating stance, some American officials with the U.S. Trade Representative are hinting at their expectations of Toyota rather than the five Japanese automakers. For this reason, Toyota has burnished its voluntary plan by adding a plan to build a third autoplant in the United States to the voluntary plan.

A plan by Mazda to aggressively procure auto-related materials from abroad has been reported widely. Last week, Ryutaro Hashimoto, minister of international trade and industry, invited for a meeting only top executives of Toyota, Nissan, and Honda with the exception of Hirokazu Nakamura, president of Mitsubishi Motors Corporation, who was on a visit to China. "AAI," a

Michigan-based joint-venture autoplant established between Mazda and Ford Motor Corporation, plans to lay off autoworkers. For this reason, it seems that the U.S. Government is not pressing the automaker for a voluntary plan.

"DSM," an autoplant that has been established by Mitsubishi in the United States with its exclusive investment, is expected to go into full operation in the near future, building 240,000 units a year (170,000 units in 1994). For this reason, the automaker is able to set forth a voluntary plan to boost car production in the United States. The voluntary plans by Mazda and Mitsubishi are likely to be sketchy.

There is no guarantee that the U.S. Government will applaud the voluntary plans. On the U.S. demand for the separation of car inspection and repair in the replacement auto parts sector, the Japanese Government believes that the "U.S. Government will impose sanctions against Japan largely because of the failure of both countries to strike a deal in their negotiations on the replacement auto parts sector." It is possible that the Japanese Government will yield to the U.S. Government on the replacement auto parts sector depending on the development of future auto negotiations. MITI plans to carry through two principles that the "Japanese Government will reject any demand for setting numerical targets and not intervene in the private sector." In view of this position of MITI, it would be even easier for Japan to strike a deal with the United States in the auto negotiations by putting the relaxation of regulations high on the agenda of the auto negotiations.

MITI has suppressed the optimistic mood in the auto industry. Tomio Tsutsumi, administrative vice minister of international trade and industry, expressed a pessimistic view on 19 June and he is believed to have expressed the view with the aim of putting the Japanese camp in order.

MITI is studying the possibility of mapping out a package of measures to help Japanese automakers deal with sanctions imposed by the United States. If 100 percent punitive tariffs are imposed retroactively on Japanese-built luxury cars that were exported to the United States before 20 May this year, this would leave Toyota alone with an additional burden of 25 billion yen. To lighten the burden, Toyota is now studying whether to take some financial measures. Japanese automakers build automobiles with their steering wheels on the left-hand side, which are all export-oriented. Some Japanese automakers are believed to have looked for ways to sell them in Japan.

Nissan has refuted the idea of reducing the burden for tariffs by saying, "We will be unable to win an

understanding from taxpayers." Toyota has laughed off the idea of selling automobiles with their steering wheels on the left-hand side in Japan, saying that "Japan is asking the United States to build automobiles with their steering wheels on the right-hand side for sale in Japan and the idea itself is nonsense." In this way, the government and auto industry remain divided over what they should do to end the auto dispute with the United States.

Tokyo, Washington Begin 2d Day of Auto Talks

OW2306105795 Tokyo KYODO in English
1033 GMT 23 Jun 95

[FBIS Transcribed Text] Geneva, June 23 KYODO — Japanese and U.S. negotiators on Friday [23 June] entered the second day of critical negotiations on the automobile dispute, searching for ways to stave off sanctions that would affect imports of 13 Japanese luxury car models worth 5.9 billion dollars.

Before entering the conference room, a senior U.S. official indicated the United States is prepared to deal with a "global vision," the widely reported Japanese automakers' plans to expand production in North America and thus raise the local content of U.S.-made parts.

"We're discussing everything that's important," said the official on condition of anonymity.

At the center of the ongoing subcabinet-level talks, originally set for two days but expected to drag on until the final June 28 sanction deadline, is how Tokyo can respond to tenacious U.S. requests for Japan to show specific ways its carmakers will buy more American-made components.

Behind the prolongation of the dispute under the "framework" talks is the difficulty of bridging gaps over the so-called "voluntary" parts-purchasing plans by Japanese makers.

In the past, Tokyo has flatly rejected any approaches suggestive of numerical targets and government involvement in what it considers private-sector matters.

As a way to break the impasse, five major Japanese automakers have reportedly worked out plans to raise North American auto output to three million vehicles by 1998 from 2.57 million and raise local content to at least 70 percent. Such moves could indirectly meet the U.S. goal of increased parts buying by Japan.

Carmakers' Plans Under Discussion

OW2306115295 Tokyo KYODO in English
1136 GMT 23 Jun 95

[By William Mallard]

[FBIS Transcribed Text] Geneva, June 23 KYODO — Japanese and U.S. negotiators were meeting at various levels in several places Friday [23 June], with Japanese automakers' business plans appearing to be on the table on the final scheduled day of last-ditch auto talks.

There were no signs of imminent agreement as the second day of vice-ministerial talks got under way just days before a U.S. sanctions deadline, but both sides indicated the widely reported corporate plans were finally being discussed.

"There has been a little bit of progress," said David Burns, a Japan specialist with the office of the U.S. Trade Representative.

The negotiators are under the gun, with orders from President Bill Clinton and Prime Minister Tomiichi Murayama to redouble their efforts as a Wednesday deadline for U.S. trade sanctions nears.

Senior Japanese officials indicated late Thursday night that in informal sessions they had finally broached the plans, dubbed "global vision," under which five major carmakers would boost overseas production and increase the content of such vehicles produced locally.

Asked if those plans were now on the table, a senior U.S. official said on condition of anonymity, "we're discussing everything that's important. All issues." He would not elaborate.

Adding to the air of intrigue, U.S. Commerce Undersecretary Jeffrey Garten left his hotel on foot and in shirtsleeves on a brisk Geneva morning when he had been expected to attend a formal session, while Yoshihiro Sakamoto, vice minister for international affairs at the Ministry of International Trade and Industry (MITI), remained holed up in his hotel on Lake Lemman.

Garten and Sakamoto did not meet in the morning, a U.S. spokesman said, as attention focused on an afternoon meeting he said both would attend.

Sakamoto's Transport Ministry counterpart Masahide Ochi began a meeting with Ira Shapiro, the vice minister-level general counsel to the office of the U.S. Trade Representative, telling reporters Japan has no new offers on deregulating the repair-parts market and still rejects an American demand to separate Japan's car inspection and repair systems to give foreign parts a better chance.

The talks cover increasing purchases of foreign parts, deregulating the repair-parts market and expanding foreign makers' access to Japanese car dealerships.

Clinton said recently at a summit with Murayama in Canada that he remains committed to slapping 100 percent tariffs on Japanese luxury cars worth 5.9 billion dollars if the two sides do not agree by next Wednesday.

The Geneva talks were set to end Friday, but officials were expressing a willingness Thursday night to take them down to the wire and said both sides remained far apart on all key issues.

The U.S. insists on an accord, as Garten put it, "in which we can assess progress once the agreement is signed." But the Japanese are wary of using figures that can be used as "numerical targets" for which Japan will be held accountable in the future.

Sakamoto and other MITI officials also insist they cannot tell the automakers what to do.

But that has not stopped the Japanese auto industry from cobbling together the widely reported plans for boosting local content and overseas production — both ways to boost parts buying without directly setting a target on purchases.

Japanese automakers have reportedly worked out plans to raise North American auto output to three million vehicles by 1998 from 2.57 million and raise local content to at least 70 percent.

But it remained unclear whether or how those plans could please both sides — gauging future progress without setting targets — or how Japan and the U.S. could agree on repair-parts deregulation or dealerships.

A senior U.S. official indicated Thursday that officials in Washington and Tokyo were at least preparing for the end game, saying U.S. Trade Representative Mickey Kantor and MITI chief Ryutaro Hashimoto "are positioning themselves to come here," presumably to clinch a deal.

But another top U.S. Official said Friday there were no plans at the moment for Kantor to come.

"It depends on what happens in the next couple of days," he said.

Academic Discusses 'Unreasonable' U.S. Demands

OW2206121095 Tokyo EKONOMISUTO in Japanese 13 Jun 95 pp 28 - 30

["Summary" of remarks by Iwao Nakatani, professor at Hitotsubashi University, in an interview with EKONOMISUTO; place and date not given; second of two articles in a special feature entitled: "Discussion:

The Breakdown of the Japan-U.S. Automobile Negotiations"]

[FBIS Translated Text] Dissatisfaction With Japan Is Smoldering in the International Community

As far as the Japan-U.S. automobile talks are concerned, it may safely be said that the United States has been leveling unreasonable demands upon Japan and that it was only right for Japan to bring its case before the international tribunal without making any objectionable concessions to the United States. However, the problem is that filing a complaint against the United States at the World Trade Organization [WTO] does not bring about a radical settlement of the problem that Japan is now confronted with.

The United States has forestalled Japan by filing a complaint with the WTO over Japan's allegedly closed automobile market. Since it will not be easy to prove the closed nature of the Japanese market, it will take time for the WTO to render a decision on the U.S. claim. Meanwhile, the conviction that the Japanese market is, in effect, closed largely prevails in the international community. Therefore, even if Japan gets the WTO to rule against the implementation of U.S. unilateral sanctions, there is a great possibility that the WTO will simultaneously issue a warning to Japan over its allegedly closed market. If that becomes the case, Japan may instead be driven into a tight corner.

Although there have ostensibly been many fierce conflicts between Japan and the United States, negotiations between the two countries never ended in total failure during the Cold War era, because their primary concern was to tighten the union of the Western world. Because of this rule, American and Japanese negotiators could engage in heated battles of words. In the end, Japan always made certain concessions to U.S. demands, while the United States agreed to overlook Japan's selfishness and not challenge things that are peculiar to Japan.

Unfortunately, the United States can no longer tolerate Japan's selfishness in the post-Cold War era. The latest automobile talks became the first post-Cold War economic negotiations between the two countries. Something that never happened in the past occurred here: a total breakdown of the negotiations. Since the United States will no longer try to reach a compromise agreement by tolerating Japan's selfishness, Japan should put forth sound arguments vis-a-vis the United States, while appealing to the international community by accelerating market liberalization and deregulation, and by taking a clear attitude in favor of the promotion of free trade.

There is smoldering dissatisfaction in the international community that Japan's market cannot be penetrated

even after a great deal of effort, because it is hedged about with regulations. Are the current government and the Ministry of International Trade and Industry serious about ridding the international community of its dissatisfaction? Are they competent enough, and do they have a strong enough sense of responsibility to accomplish this task? Or do they feel rather inclined to take the world as it is and let the international community complain about Japan?

Japan's current economic society is full of restrictions, because it derived from the old structure that was set up in 1940 when the military government called for general mobilization of human and material resources. Since then, the bureaucracy and the private sector have been brought closer together through the intermediary of business organizations. "Zoku-giin," or politicians lobbying for the interests of specific groups, joined the circle, creating the so-called "iron triangle" between politicians, bureaucrats, and business leaders. This system worked well in its own way until recently. However, now that Japan has become the most expensive country in terms of production costs following the repeated appreciations of the yen against the dollar, it must get rid of the old system and lay a new foundation for further growth by introducing the principle of free competition and by bringing about innovation.

The compelling force of the 50-year old system is so intensive that it is very difficult even for a person who has strong leadership to bring about change. The old system has been supported by the Liberal Democratic Party [LDP] and the Social Democratic Party of Japan [SDPJ]. Therefore, it is evident that the current coalition government led by these two parties cannot acquire the power to revolutionize the system. Some Japanese politicians are acquitting themselves bravely on the stage of world diplomacy, boasting that they will do their best to carry out reform. However, things are not easy in Japan, because there are many forces that want to frustrate these politicians.

MITI officials, who are on the front line of negotiations with the United States, seem to have a better understanding of the situation as compared to politicians. For instance, Japan's current problems are pointed out very straightforwardly in this year's trade white paper. If nothing is changed, competitive industries will move abroad, while only protected industries that have nothing to do with innovation will remain in Japan. This will consequently lead to the fall of Japan. MITI officials are aware of this. They are afraid that everything will happen too late unless the government immediately plunges a scalpel into the problems. At least, junior officials who helped compile this year's trade white paper

have a clear understanding of the problems now confronting the Japanese economy.

As the trade white paper says, direct foreign investment has decreased considerably in Japan. This is because Japan is not attractive at all in terms of being an industrial location site. The production cost is too high in this country, because there are too many regulations. The lack of foreign investment brings about a further decline in the vitality of Japanese society, because Japan will no longer be able to improve its industrial power by importing new ideas and technologies from abroad.

Unfortunately, there is a great possibility that these valuable remarks of MITI officials will never be translated into action, because those who are serious about carrying out reform are unable to gather strength at the moment.

The Deep-Rooted Principle of "Non-Competition"

No one in the political world is eager to implement reform, least of all the LDP and the SDPJ. Even Sakigake [Harbinger], which was formed under the slogan of reform, does not appear to be. As for the opposition Shinshinto [New Frontier Party], which was created following the merger of different parties, its stance remains very unclear. Meanwhile, there is a group of bureaucrats, including junior MITI officials, who are aware of the problem that is now confronting Japan. However, whether or not these bureaucrats are able to bring about a change in each industrial sector under their jurisdiction is another question, because no one wants to be branded as a "traitor" by actually implementing reform.

Japan's industrial world is now divided in two camps. Industries that are now exposed to global competition are calling for deregulation, while those that have nothing to do with competition are calling for the protection of their vested rights. Although the Japan Federation of Economic Organizations [Keidanren] is giving top priority to the promotion of deregulation, no substantial progress is being made, because many of its members are, in fact, against deregulation.

Moreover, whether or not they are exposed to global competition, Japanese companies remain extremely locally-oriented in terms of business style. Their way of doing business is impeding Japan's market liberalization.

When Japanese automakers began to export their products to the United States, their salespeople contacted American dealers directly. All they had to do was to present the quality of their products and propose attractive trade terms to strike bargains with American

dealers. The American dealers never consulted American automakers when they bought Japanese cars to sell. Thereby, Japanese automakers could penetrate the American market, and learn the way after-sales service and quality control were provided in the United States. Japanese auto parts manufacturers could also negotiate directly with the U.S. Big Three. U.S. carmakers agreed to buy from Japanese manufacturers once they were satisfied with the quality of Japanese products.

Meanwhile, Japanese dealers are placed totally under the control of Japanese automakers. This is why U.S. automakers' salespersons have been turned away at their door. As for U.S. auto parts manufacturers, even if they were able to visit Japanese automakers and propose good products, they were unable to get contracts. What was worse, Japanese automakers usually made their affiliated subcontractors manufacture more competitive products, while delaying their definite answer to U.S. auto parts manufacturers. There are, of course, many cases where the fault lies with the U.S. side, which does not make enough efforts to penetrate the Japanese market. However, it is also true that Japan still has many exclusive business practices that are impeding the advance of foreign manufacturers into the Japanese market.

Unlike official regulations, traditional business practices cannot be changed easily. What is more serious is the principle of "noncompetition," which infiltrated deeply into the Japanese people's minds after World War II. For instance, some Japanese parents believe that even a footrace should not be included in a primary school's physical education program, because they think that deciding the ranking is too cruel to children. The idea of disintegrating the industrial world's order by introducing free competition still encounters heavy resistance, because Japanese society has been dominated by an unprecedented "egalitarianism" since the end of World War II. The thought that one should always keep in perfect step with the others worked quite well during the period when Japan endeavored to catch up with other nations because originality was not needed at that time. However, this way of thinking is nothing but an encumbrance in an era when Japan must strike a new line as a front-runner country.

Although Japan urgently needs radical social reform, the situation cannot be changed quickly, because the "1940 order" is rooted more deeply than we had imagined. The fact that there are many people offering stubborn resistance to deregulation clearly proves this characteristic of Japanese society.

Unemployment May Increase Sharply

At the moment, employment is barely secured in Japan, and no one is suffering great damage under the existing system. However, Japan will face a crisis in the next two or three years if nothing is changed. Industries will move from an inactive Japan to other countries, bringing about a sharp increase in unemployment.

Until now, the government has been subsidizing uncompetitive companies to help maintain their surplus workers. Such government subsidies have been financed by huge corporate taxes paid by competitive companies. Japan has consequently accumulated a considerable number of potentially unemployed workers. Despite the recession, Japanese companies have been making frantic efforts to secure employment, namely to increase potential unemployment. However, it will not be long before they will have to choose between two options: die along with their surplus workers, or discharge their surplus workers.

Those people eager to implement reform will finally gather strength only when the public faces such a crisis. In reality, reform should instead be implemented at an early stage, before the situation becomes critical. However, we cannot expect too much at the moment, because people who want to protect their vested rights still have great influence in Japan.

In the past, the government had tactfully used the pressure from the United States as a good excuse to carry out reform. However now, we can no longer count on the U.S. pressure. Since the end of World War II, the United States has been displaying its global leadership in every respect, including ethics. But now, we can no longer feel the ethical superiority of the United States. Unfortunately, Americans seemed to have lost the broad-mindedness they had in the past.

Americans now think that the United States should force Japan to open its market even by violating the principle of free trade. Should Japan decide to bow to such U.S. pressure, the Japan-U.S. trade dispute is certain to be appeased for a while. However, this will not help change Japan at all, because this solution will do nothing but strengthen the existing system under which the private sector is hedged about with "gyoseishido," or administrative guidance.

During the past three years, the U.S. economy grew by 10 percent, while the Japanese economy almost stopped growing. Something that Japan could not imagine 10 years ago is happening now. Despite such a situation, the government remains passive, while public attention is turned toward a series of crimes allegedly committed

by the Aum Shinrikyo cult. However, it will not be long before everyone is forced to face up to the reality.

Fortunately, harmonizing with the international community does not conflict with the implementation of domestic reform, because the relations between Japan and other countries, including the United States, will be improved automatically once Japan accomplishes proper reform.

Honda, Foreign Makers To Join on Auto Parts

OW2306020295 Tokyo KYODO in English
0111 GMT 23 Jun 95

[FBIS Transcribed Text] Tokyo, June 23 KYODO — Honda Motor Co. will jointly develop auto parts such as oil filters and tires with several makers in the United States and Europe to market them in Japan under the Honda brand, a company official said Friday.

Taking advantage of the strong yen, Honda will sell the lower-cost products, imported from the United States and Europe, through its affiliated dealers, he said.

Though low-priced parts have become increasingly popular at auto accessory stores in Japan, sales of products made by automakers have been sluggish because of relatively high prices.

Honda will sell such parts at its affiliated dealers at prices 15-20 percent lower than current Honda products to compete with auto parts companies such as Autobacs Seven Co.

It will also begin marketing tires made by Goodyear Tire and Rubber Co. of the U.S. by the end of June. Honda will use Goodyear tires for assembling civic subcompact cars.

Honda's annual sales of auto parts stand at 70 billion yen. Of the total, foreign-made replacement parts currently account for less than 10 percent and Honda will boost the ratio to around 20 percent, he added.

Meanwhile, Toyota Motor Corp. reportedly plans to establish a new auto parts distribution system that will primarily handle foreign-made products.

Industry analysts said such moves by Japanese automakers will help open up Japan's auto parts market, a major contentious issue in long-stalled trade "framework" negotiations between Japan and the United States.

Aviation Negotiators To Use Clinton Remarks

OW2106132795 Tokyo MAINICHI SHIMBUN
in Japanese 21 Jun 95 Morning Edition p 3

[By Naoki Fukuhara]

[FBIS Translated Text] Geneva, 20 Jun — U.S. President Bill Clinton acknowledged the inequality of the Japan-U.S. aviation agreement during the his January meeting with Prime Minister Tomiichi Murayama, a diplomatic source said on 20 June. Clinton reportedly said the aviation agreement, which is regarded as the root cause of Japan-U.S. aviation dispute, was "concluded under unequal relations in the postwar period." Japanese negotiators intend to use the Clinton remark to support their claims, and Japan is going to take strong actions, including barring flights by U.S. airliners, as counteractions to unilateral sanctions by the United States.

The Clinton remark is likely to arouse controversy in the United States as a U.S. president's negative opinion on a treaty concluded between a victor nation and a defeated nation is unprecedented.

According to the diplomatic source, Clinton virtually acknowledged the inequality of the bilateral aviation agreement when he met with Murayama on 11 January. Clinton reportedly said: "The Japan-U.S. aviation agreement was concluded according to relations between a victor nation and a defeated nation, and I well understand Japan has frustration with that."

The source also said, on 13 January, the U.S. secretary of state demanded Japan's approval of Federal Express' flights to the Philippines via Narita Airport, which became the focal point of the latest aviation negotiations. The Japanese Transport Ministry acknowledged these reports are true.

The Japan-U.S. aviation accord was concluded in 1952 in line with U.S. demands. "Beyond rights," or rights to fly to third countries, are very limited for Japan, but there are almost no restrictions on the rights of the United States. The bilateral aviation agreement gives extremely discriminatory treatment to Japan.

Throughout past aviation negotiations, Japan has been urging a revision of the unequal aviation agreement. The negotiations broke up as the United States insisted on Japan's approval of the Federal Express' flights to the Philippines as the prerequisite for negotiations on revision of the agreement and flights to Taiwan and China are also needed.

Editorial Regrets U.S. Decision on Aviation

OW2306030895 Tokyo SANKEI SHIMBUN
in Japanese 21 Jun 95 Morning Edition p 2

[Editorial: "Regrettable Sanctions over Aviation Talks"]

[FBIS Translated Text] In expressing its displeasure with Japan's response in the Japan-U.S. aviation talks, the U.S. Government has decided to impose sanctions against Japan. It is truly regrettable that the U.S. Government should have decided on a unilateral hardline action while the talks were still in progress.

What triggered the sanctions was Japan's rejection of a major U.S. air freight service company's request to launch a service to fly its cargoes to Asia via Narita. The U.S. Government insisted that the launching of this service was "an exercise of the beyond-rights based on the Japan-U.S. aviation pact; Japan violated the pact by not accepting the request promptly."

Japan rejected this, saying: "The pact is written too disadvantageously to Japan. We should discuss the matter of accepting the request in the course of negotiations to revise the treaty."

The current Japan-U.S. aviation treaty was concluded in 1952, and is written up in a way advantageous to the United States as was the practice around that time. Now, with the Asian economy growing, the aviation market linking Japan and Asia is growing at the highest speed in the world. It is difficult for Japan to accept this situation — the United States wanting to railroad into this market under the shield of the beyond-rights and without paying any compensation in return.

Furthermore, the rate (loading rate) of passengers and air cargoes that use Japanese aviation companies's services in going from, to, or via Japan has been dropping every year for the past several years with their competitiveness falling as a result of the yen appreciation. As far as the government is concerned, there is the desperate desire to do something about the present condition of only Japanese aviation companies slumping — by having this treaty rectified somehow.

France, another country whose market is dominated by U.S. aviation companies, has scrapped its bilateral treaty with the United States, and is proceeding with talks — with a firm resolve — to get its treaty revised. This situation is encouraging the Japanese Government as well.

But if Japan goes so far as to declare annulling its treaty right now when it is in an all out showdown with the United States over the auto dispute, that will not be a desirable way. Even though that could be the weak point the U.S. Government is eying, we urge the government

to proceed with its negotiations patiently. We on the other hand wish the U.S. Government could show the magnanimity and withdraw its decision on sanctions.

In addition, there are now signs of change in the thinking of the Chicago treaty system which assumes all aviation issues should be set in bilateral agreements. There is now emerging the concept of opening up the aviation market. And Japan's call for setting the transportation volumes based on demand, as a way of averting dumping practices, sounds rational as ~~such~~, but that is like to invite the dispute on the question how the criteria for dumping should be set.

Under the given situation, what is at issue is how competitive the Japanese aviation companies are. The Japanese Government's position cannot be persuasive as long as the Japanese aviation companies are losing in the Pacific-Rim aviation market where other countries' aviation companies are reaping profits. The final point in the destination of the negotiations is the interest of consumers. The intent of rescuing only aviation companies cannot win in the negotiations. We urge the Japanese aviation companies to get more serious in improving their competitiveness.

Toyoda Views Aviation Talks, Economic Recovery

OW2206150295

[FBIS Editorial Report] Tokyo ASAHI Newstar Television Network in Japanese at 1815 GMT on 21 June, during its "Flash Report: News Conferences" program, broadcasts a recorded 17-minute news conference with Shoichiro Toyoda, head of Keidanren (Japan Federation of Economic Organizations), held at Keidanren Hall on the afternoon of 21 June.

At the news conference, Toyoda is asked to comment on the Japan-U.S. dispute over the aviation issue. Noting that there is still time before the United States actually imposes sanctions against Japan over this issue, Toyoda says: "I hope the two sides will sincerely discuss the matter and make efforts for a peaceful settlement." When asked about the auto dispute between Japan and the United States, he also notes the need of the two sides to discuss the issue sincerely to reach a peaceful settlement.

Next, Toyoda is asked to give his economic forecast. Referring to recent economic reports issued by the Bank of Japan and the government, in which they say the economy is recovering, although moderately, he claims: "I feel the economic situation is much more severe than they perceive. I think the nation's economy is in a severe state because of the recent appreciation of the yen, sagging stock prices, and a

delay in handling bad loans." Citing the worsening employment situation, he adds: "There is a possibility that the economy will turn downwards." As measures to boost the economy, Toyoda urges the government to swiftly execute the recently compiled supplementary budget and to implement deregulation. As for corporate efforts for economic recovery, he says: "Business circles need to develop new technology and industries."

Asked if domestic automakers have promoted drawing up voluntary purchase plans, Toyoda says: "No, they have not. The governments of the two countries are currently negotiating in Geneva, and the private sector is not participating in the talks." In answering a question on whether the private sector is considering measures to avoid U.S. sanctions, he says: "Yes, we are. But we have not done anything to use them in the negotiations."

Asked whether he thinks it is necessary to lower the official discount rate further to boost the economy, Toyoda says the rate is already very low. But he urges the government to implement all possible measures to boost the economy, including deregulation and tax cuts. In particular, he stresses the importance of the government's implementing deregulation measures to revitalize the economy.

Auto Dispute May Delay Construction Talks

*OW2306081795 Tokyo KYODO in English
0812 GMT 23 Jun 95*

[FBIS Transcribed Text] Tokyo, June 23 KYODO — Japan and the United States are likely to postpone their regular construction talks for about a month as an effect of their auto trade dispute, Japanese Government sources said Friday [23 June].

The U.S. Government has informally asked Japan to put off the meeting originally scheduled for late June, the sources said.

They speculated that the U.S. Commerce Department is too busy dealing with the bilateral auto trade row to engage in construction talks in a satisfactory manner.

In January 1994, the Japanese and U.S. Governments reached agreement on construction issues including Japan's opening of governmental projects to international competitive bidding as long as they are worth more than the International Monetary Fund's 4.5 million special drawing rights, equivalent to about 730 million yen.

The two governments also decided to annually review the implementation of the agreement.

In the upcoming meeting, which will review results in fiscal 1994, Japanese Government officials expect

the U.S. negotiators to demand that Japan should open its construction market wider to foreign construction companies, as few U.S. contractors have won substantial orders for central government projects, the sources said.

But, they added, in light of the stalemated auto trade negotiations, the construction conference, even if postponed, may end up without substance.

Tokyo Accepting EU Request for Liquor Tax Talks

*CW2306124995 Tokyo KYODO in English
1212 GMT 23 Jun 95*

[FBIS Transcribed Text] Tokyo, June 23 KYODO — Japan will accept a request by the European Union (EU) to hold bilateral negotiations on Japanese liquor taxes under the World Trade Organization (WTO) rules, Finance Ministry officials said Friday [23 June].

After the day's official receipt of the request, Japan will forward a reply of acceptance within 10 days, or as early as next week, in accordance with the WTO dispute settlement rules, the officials said.

On Thursday, the European Commission, the executive body of the European Union (EU), said it launched a consultation procedure with the WTO on Japan's liquor tax regime, which it claims discriminates against whiskey and favors shochu, a Japanese distilled spirit.

Under the ordinary WTO rules, bilateral consultations will be held within 30 days after a complaint is filed with the global trade watchdog. If no agreement is reached within 60 days after the filing, a complainant can ask the WTO to set up a dispute settlement panel.

Disputing the EU's allegation that Japan protects domestic production of shochu through discriminatory taxes on imported liquors, the ministry officials said Tokyo will seek satisfactory conclusions by fully asserting itself in the bilateral negotiations.

Japan has responded with sincerity to the issue by raising the tax rate on shochu in 1989 and 1994, the officials said, while arguing that shochu does not compete with nor is a substitute for whiskey, as claimed by the EU.

DPRK Preparing To Renew Normalization Talks

*OW2306113495 Tokyo KYODO in English
1048 GMT 23 Jun 95*

[FBIS Transcribed Text] Tokyo, June 23 KYODO — North Korea's point man on relations with Japan, Kim Yong-sun, will visit Tokyo shortly in preparation for the resumption of bilateral normalization talks, sources well versed in North Korean-Japanese ties said Friday [23 June].

Kim, a secretary of the ruling Workers Party of Korea [WPK], might visit as early as this month, the sources said. However, it is unlikely that the visit will take place before Japan and North Korea have reached a formal agreement on the planned provision of rice to the north, they said.

Upon request from Pyongyang, Tokyo has decided to send rice to the north to help ease a food shortage there.

A North Korean delegation is arriving in Tokyo to confer with officials of the three ruling coalition parties — the Liberal Democratic Party, the Social Democratic Party [of Japan] and New Party Sakigake [Harbinger] — on details of the plan.

Kim is expected to meet with former Foreign Minister Michio Watanabe and other politicians from the ruling coalition who visited North Korea in March to pave the way for a resumption of talks on the establishment of diplomatic relations.

That visit to Pyongyang yielded an accord between the ruling parties of Japan and North Korea calling for the settling of the "unfortunate past" between the two countries and efforts to resume intergovernmental talks as soon as possible "without any preconditions."

Kim, who also heads the (North) Korea-Japan Friendship Association, has served as the north's top negotiator in the talks, which were initiated in January 1991, but collapsed in November 1992.

Prime Minister Tomiichi Murayama said Thursday that Japan hopes to seize the opportunity of its rice assistance to normalize relations with North Korea as early as possible.

Kim was also involved in recent talks with South Korea over rice assistance. At Seoul's insistence Tokyo had made an inter-Korean rice supply agreement a prerequisite for Japanese rice aid to the north.

DPRK Delegation Arrives for Rice Aid Talks

OW2306111995 Tokyo KYODO in English
1103 GMT 23 Jun 95

[FBIS Transcribed Text] Tokyo, June 23 KYODO — A North Korean delegation arrived in Tokyo Friday evening [23 June] to work out the details of Japan's planned provision of rice to the north and immediately proceeded to sit down with representatives of Japan's ruling coalition.

Yi Chong-hyok, a vice chairman of North Korea's Asia-Pacific Peace Committee, will meet at a Tokyo hotel with Kosuke Hori, acting chairman of the Liberal Democratic Party's Policy Affairs Research Council, for preliminary talks about Japan's rice aid plans.

The North Korean delegation, led by Yi, is scheduled to meet with Foreign Ministry and Food Agency officials on Saturday to work out how much rice will be provided to North Korea, which admitted last month to crop failures in recent years.

The government will also decide whether the rice will be provided free of charge or as a purchase to be paid for over a long period.

Earlier Friday, Chief Cabinet Secretary Kozo Igarashi said that Japan hopes to finalize its rice aid plans as soon as possible.

Igarashi met with officials of the Foreign Ministry and the Ministry of Agriculture, Forestry and Fisheries in the evening to discuss the Japanese Government's plan of action.

North Korea has also expressed a wish to have the rice aid question resolved as soon as possible, while the government plans to confirm the contents of a written agreement with North Korea on the assistance.

Japan may also take the opportunity to include a request to resume talks on establishing full Tokyo-Pyongyang diplomatic ties, suspended since November 1992, and ask for a reduction of tensions on the Korean peninsula.

As for the scale of the rice aid package, Agriculture Minister Taichiro Okawara has said Japan is ready to provide North Korea with up to 300,000 tons of rice from its surplus stocks.

Japan has also planned to sell the rice to North Korea with a long-term repayment plan, but with Seoul's announcement Wednesday to provide North Korea with 150,000 tons of rice free of charge, some officials have voiced the opinion that Japan should do likewise in offering its rice.

Sakhalin Seeks \$100 Million Loan for Restoration

OW2306004095 Tokyo KYODO in English
0017 GMT 23 Jun 95

[FBIS Transcribed Text] Sapporo, June 23 KYODO — A senior Sakhalin provincial government official on Thursday requested some 100 million dollars in loans for quake restoration work in the wake of the deadly May 28 earthquake on the Russian Far East island, Hokkaido Prefectural Government officials said.

Sakhalin Vice Gov. V.E. Gomilevskiy made the request when he met his Hokkaido Prefectural Government counterpart in Sapporo.

Gomilevskiy told Hokkaido Vice Gov. Toshitami Matsuda, "we hope banks and companies in Hokkaido will provide around 100 million dollars in loans to Sakhalin

for building 4,000 temporary homes for quake survivors."

More than 2,000 islanders died or are missing from the earthquake.

The Sakhalin official said there are difficulties in building new housing for the survivors because of a shortage of funds from the central government, the officials said.

Gomilevskiy added the Sakhalin Provincial Government will be able to repay the loans.

He also handed over a letter of thanks for the Hokkaido Prefectural Government for its quake assistance.

Matsuda told Gomilevskiy that he will relay the loan request to the governor.

Export-Import Bank Offers Loan to Argentina

*OW2206120995 Tokyo KYODO in English
0937 GMT 22 Jun 95*

[FBIS Transcribed Text] Tokyo, June 22 KYODO — The Export- Import Bank of Japan said Thursday [22 June] it will extend an emergency syndicated loan of 80 billion yen to Argentina to help that country tackle its economic plight.

Organizations such as the International Monetary Fund (IMF), the World Bank and the Inter-American Development Bank will participate in the bailout loan, the bank said.

Money supply in Argentina has decreased as the conversion of Argentine pesos into U.S. dollars has sharply increased following the Mexican currency crisis, putting some banks in financial difficulties.

In late March, Argentine Economic Minister Domingo Cavallo visited Japan to seek emergency support.

Keidanren Seeking International Fusion Project

*OW2306055595 Tokyo KYODO in English
0440 GMT 23 Jun 95*

[FBIS Transcribed Text] Tokyo, June 23 KYODO — The Federation of Economic Organizations (Keidanren) will stage a campaign to build a next-generation thermal fusion reactor, a 1 trillion yen international project, in the northern Japan village of Rokkasho in Aomori Prefecture, Keidanren officials said Friday [23 June].

Keidanren is aiming to build the reactor under the International Thermonuclear Experimental Reactor (ITER) project among Japan, the United States, Europe and Russia at a 4,500-hectare land plot owned by Tokyo land developer Mutsu Ogawara Development Inc., the officials said.

The construction would stimulate local economy, and in particular help Mutsu-Ogawara, which is ridden with about 200 billion yen in cumulative debts, the official said.

A basic design for the iter project was crafted in 1990 under the leadership of the International Atomic Energy Agency. The four participating parties plan to start experimental operations of the reactor in 2005 for commercialization set for the middle of the next century.

The U.S., France and Russia have already shown interest in constructing the reactor in their countries.

Mutsu-Ogawara, founded in 1971 for construction of an industrial complex in Rokkasho, has also developed the area for nuclear fuel reprocessing facilities.

Nikkei, NBC Jointly To Air News Programs

*OW2006081895 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 19 Jun 95 Morning Edition p 15*

[FBIS Translated Text] NIHON KEIZAI SHIMBUN [Nikkei], in cooperation with the National Broadcasting Company [NBC], one of the three major U.S. broadcasting companies, will air the Nikkei news program in English through "CNBC Asia," a satellite channel, which will start operations on 20 June specializing in economic and business programs. This is part of Nikkei's international media strategy and is the first project by a Japanese newspaper company to broadcast news programs in English for the Asian region.

"CNBC Asia" is a channel of NBC Asia, an NBC subsidiary established in Hong Kong last year, and will air economic and business programs 24 hours a day. It plans to produce programs mainly based on business news aired in Western nations by the NBC group and Asian business news.

Nikkei news will be aired on this channel once in the morning and once in the afternoon on weekdays. The 0600-0700 Hong Kong time [HKT] program will carry the top news, taken mainly from the headline news of the Nikkei morning edition on the same day. A news commentary on the main reports of the evening edition for the same day will be aired in the 1200-1300 HKT program. The commentary program will carry live reports that will be given by Nikkei reporters through international telephone lines.

Following "CNBC Asia," NBC Asia plans to start "NBC Super Channel Asia [NBCSCA]," a sports and entertainment channel, this fall through the communications satellites Panamsat-2 and Palapa and Asiasat-2, which is expected to be launched this summer. The NBCSCA will first be aired in English and Mandarin and then

expand to various Asian languages, such as Hindu and Japanese, later on.

Broadcasting with three satellites will make the station capable of covering a wide area — Southeast Asia, India, Russia, and Australia.

The Posts and Telecommunications Ministry also plans to formally approve the CNBC Asia operation in June as a "cross-border broadcast," and programs will be available through CATV [cable television] systems or by direct reception.

Mitsubishi, PRC Weigh Joining LNG Pipeline

OW2306022695 Tokyo KYODO in English
0149 GMT 23 Jun 95

[FBIS Transcribed Text] Tokyo, June 23 KYODO — Mitsubishi Corp. will start a joint feasibility study on a 6,000-kilometer-long liquefied natural gas (LNG) trans-Asia pipeline with China National Petroleum Corp. (CNPC) and an American oil firm, a Mitsubishi official said Friday.

The project, estimated to cost 1 trillion yen, will run overland from Turkmenistan, which has an oil field, to China, then eventually extend under the Sea to Japan, he said.

Mitsubishi announced in late 1992 the basic plan of the joint project with the Chinese corporation.

Under the plan, the project is to depend on a current pipeline between Turkmenistan and Kazakhstan and a new pipeline will be built along a highway between Kazakhstan and China.

Mitsubishi, Japan's leading trading firm, and CNPC had been involved in separate technical assessments of the project. With the participation of the firm from the United States, the project will become a more practical examination, he said.

The official, however, declined to give the name of the American company.

The one-year feasibility study, divided into four phases, will get under way this fall, with LNG production targeted to start by 2010.

The pipeline between China and Japan will be built, if the feasibility study permits, in the final stage of the project, he added.

Survey: High Yen Affecting Transport Industry

OW2306112495 Tokyo KYODO in English
1015 GMT 23 Jun 95

[FBIS Transcribed Text] Tokyo, June 23 KYODO — The recent sharp advance in the value of the

yen against the U.S. dollar is undermining business sentiment particularly in the shipping and tourism industries, according to the results of a government survey released Friday [23 June].

The poll, conducted by the Transport Ministry, covered 105 major companies in the transportation industry, listed on the Tokyo stock market, ministry officials said.

The poll found managers at 92 firms, or 88 percent of those polled, feel their corporate earnings deteriorating because of the yen's sharp gain.

All 18 shipbuilding and ocean shipping companies polled in the hurriedly arranged survey said that their business is suffering serious setbacks and two of three travel agencies polled said their earnings are declining due chiefly to reduced business travel despite a dramatic expansion of tourism overseas.

By contrast, a warehouse and a domestic ferry company each reported their business is enjoying improved performance.

To cope with the strong yen, the pollees said they are increasing procurement from overseas and hiring non-Japanese crew.

Lower Sales Costs Seen Key to Competitiveness

OW1606143895 Tokyo KYODO in English
1415 GMT 16 Jun 95

[FBIS Transcribed Text] Tokyo, June 16 KYODO — Domestic manufacturing firms regard reduction in sales costs as the key to competitiveness, according to a survey report released Friday [16 June] by the Economic Planning Agency.

The survey polled 600 major manufacturers from January to February, with 333 firms replying. The average dollar rate was 100.13 yen at the time.

Asked to give multiple replies on how they would respond to the yen's rise, 45.9 percent said they would cut down on costs of sales and distribution. Reduction of manpower costs was chosen by 42.9 percent, while 37.8 percent said they would procure raw materials from overseas.

On ways to cut down on manpower costs, 73.4 percent said they would actively pursue rationalization of their operations, while 40.6 percent said they would adjust employment of mainly white-collar workers. Review of the salary system was chosen by 31.5 percent.

Asked how they see the competitiveness of their products as compared with those made overseas, 37.6 percent said their own products are generally "superior" or

"slightly superior" in the domestic market, despite lacking price competitiveness.

As for overseas markets, however, their confidence waned a bit, with only 21.5 percent seeing their products as having the edge.

Keizai Doyukai Suggests Reform of Pay System

OW2306105195 Tokyo KYODO in English
0803 GMT 23 Jun 95

[FBIS Transcribed Text] Tokyo, June 23 KYODO — A leading Japanese business organization said in a report published Friday [23 June] that entrepreneurial spirit should be revived in the Japanese corporate world to break an impasse in the slumping Japanese economy.

To foster such a spirit, the Japan Association of Corporate Executives (Keizai Doyukai) urged Japanese companies to reform their pay system to offer performance-based salaries to their personnel.

The report said U.S. economic recovery in the late 1980s was led by high-tech venture businesses in the fields of information processing, communications and biotechnology.

It said new venture businesses are essential to Japanese economic recovery.

The top management of companies should highly value personnel with creativity and foster the spirit of challenge, it said.

The report also said venture capital should be expanded and the over-the-counter stock market should be reformed to nurture new businesses.

Osaka Businessmen Urge 2d Supplementary Budget

OW2206131395 Tokyo KYODO in English
0958 GMT 22 Jun 95

[FBIS Transcribed Text] Osaka, June 22 KYODO — Two business leaders in Osaka urged the government Thursday [22 June] to compile a second supplementary budget for fiscal 1995 of more than 10 trillion yen to stimulate the sluggish economy.

Masafumi Onishi, chairman of the Osaka Chamber of Commerce and Industry, and Yoshihisa Akiyama, chairman of the Kansai Committee for Economic Development, made the calls at separate press conferences in connection with the government's planned pump-priming measures.

On the Japanese economy, Onishi, also president of Osaka Gas Co., said there are increasingly negative economic indicators in recent days despite some favorable factors, citing stock price declines and weak employment.

He expressed approval of a government plan to allow financial institutions to use public funds to dispose of their massive bad loans.

He also urged the government to cut corporate taxes and make drastic public works investments to improve Japan's social infrastructure.

Akiyama, also president of Kansai Electric Power Co., said production activities in the Kansai area were becoming sluggish in June and asked the government to show a decisive attitude toward the economy.

Rengo Urges 2d Extra Budget, Income Tax Cut

OW2306105295 Tokyo KYODO in English
0838 GMT 23 Jun 95

[FBIS Transcribed Text] Tokyo, June 23 KYODO — Japan's largest labor organization urged the government Friday [23 June] to formulate a second supplementary budget for fiscal 1995 at an early date and continue an income tax cut to bolster the sluggish economy, a government spokesman said.

Leaders of the Japanese Trade Union Confederation (Rengo) also called on the government to continue a special tax reduction of 2 trillion yen into 1996, Chief Cabinet Secretary Kozo Igarashi told a news conference.

In a meeting with Igarashi and Labor Minister Manso Hamamoto, the Rengo leaders, including Vice President Teruhito Tokumoto and Secretary General Etsuya Washio, also sought action on an early transfer of Tokyo's functions as the capital.

Igarashi said the government will strive to move political duties out of Tokyo as part of efforts to transfer authority and power to local governments.

MOF To Deregulate 'Tokyo Offshore Market'

OW2306023995 Tokyo TOKYO SHIMBUN
in Japanese 21 Jun 95 Morning Edition p 3

[FBIS Translated Text] On 20 June, the Ministry of Finance [MOF] firmed up its plan to promote deregulation of the "Tokyo Offshore Market" [TOM], which allows banks and foreign firms to acquire and utilize funds without being constrained by Japanese regulations regarding taxation, exchange control, and other matters. By turning the TOM, where the ratio of yen-based assets is a high 70 percent, into a more "convenient" market, the MOF hopes to promote endorsement of the yen as an international currency. As a first step, the MOF plans to begin in July easing procedures regarding confirmation of the applicant — currently, a requirement for every transaction.

Under the current confirmation procedures, applicants must submit to the MOF two kinds of certificates to clear the following points: 1) whether banks or firms applying to utilize the TOM's services meet the designated requirements; and 2) whether the applicants might be engaged in money laundering by transferring money obtained illegally from drug trafficking from one bank account to another to conceal the source of such funds. However, complaints have been raised over the inconvenience of having to prepare for every transaction company registration papers and other documents to clear the first point. Therefore, applicants will now only be required to submit documents to clear the second point in subsequent transactions after completing the very first transaction.

In order to diversify fund raising in the TOM, which is completely dissociated from domestic financial markets, the MOF is also studying the possibility of implementing deregulation that will encourage a certain degree of money flow between the TOM and domestic financial markets. The MOF's move is in consideration of the fact that there is complete, free flow of money between offshore and domestic markets in London and Hong Kong, where the internationalization of financial services has advanced. In Japan, the considerable "gap in regulations" regarding taxation and other matters between the TOM and domestic financial markets has barred this free flow of money between the two.

The TOM was established in 1986 to promote internationalization of Japanese financial markets. It has grown into one of the leading offshore markets in the world, second only to London's, with an outstanding balance at approximately \$800 billion which is 8.5 times larger in scale compared to when it was first established. With the ratio of yen-based assets there increasing to 70 percent from the initial 20 percent, the TOM is now playing a role in helping turn the yen into an international currency.

Government Urged To Ease Foreign Stock Trade

OW2106131395 Tokyo KYODO in English
1252 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — The securities industry urged the government Wednesday [21 June] to implement measures to stimulate foreign stock trading in Japan, including an easing of regulations on transactions regarding depositary receipts.

The Japan Securities Dealers Association said such deregulatory measures are necessary to reactivate trading in foreign stocks listed on the Tokyo Stock Exchange.

The association, in a report on ways to revitalize foreign stock trading, also called for an easing of regulations on stock issues by foreign enterprises and the abolition of the securities transaction law.

The report said trading in depositary receipts of attractive firms from South Korea, Taiwan and India is limited, hampering investment by Japanese investors.

It appealed to regulators to remove restrictions on trading in depositary receipts of foreign firms listed on the New York Stock Exchange or those that are convertible with their domestic stocks.

MOF Backs 'Mini Stock Market' Creation Plan

OW2306125095 Tokyo KYODO in English
1140 GMT 23 Jun 95

[FBIS Transcribed Text] Tokyo, June 23 KYODO — The Ministry of Finance (MOF) and the Japan Securities Dealers Association said Friday [23 June] they will create a "mini stock market" this fall to help revitalize stock trading.

The planned market will lure small investors back to stock investment by making it more affordable to them, association officials said.

The minimum unit of stock trading, which is often set at 1,000 shares in the existing market, will be reduced to one-tenth in the new market, MOF and association officials said. For stocks with the smallest current trading unit of 100 shares such as Sony Corp. and Tokyo Electric Power Co., the unit will be set at 10 shares.

The reduction of minimum trading units makes stock investment easier for individual investors. For example, the smallest amount of capital needed to invest in an average stock at a price of 300 yen is 300,000 yen, but that will drop to 30,000 yen in the new market.

The planned market will cover all issues listed on the Tokyo and Osaka stock markets but trading will be done over the counter at securities companies, MOF and association officials said.

Buyers of "mini stocks" will receive deposit receipts instead of stock certificates, the officials said. Although the investors will not have the right to vote at shareholders' meetings, they will be entitled to receive dividends.

While investors will be required to pay brokerages commissions equal to 3 percent of trading value, the officials said they will pay heed to calls for a lower commission rate.

Trading in the new market is expected to begin as early as September since major brokerages and other parties

concerned are stepping up efforts to create the necessary computer systems.

Panel Urges Easing of OTC Registration Rules

*OW1606112895 Tokyo KYODO in English
1028 GMT 16 Jun 95*

[FBIS Transcribed Text] Tokyo, June 16 KYODO — A panel of the ruling coalition on Friday [16 June] proposed a package of economic stimulation measures, including reforms of the over-the-counter (OTC) stock market, coalition officials said.

A project team of the coalition presented the package to the government of Prime Minister Tomiichi Murayama.

The package calls for, among other things, relaxing the OTC standards to allow the registration of venture businesses with deficits.

Under present regulations, companies must post profits to apply for registration on the OTC market.

The package also called for an improved financing system, tax breaks and expanded personnel training for venture businesses.

The government and the coalition are expected to take the package into consideration in working out an economic stimulation program prior to the House of Councillors elections scheduled for July 23, the officials said.

Meanwhile, Yoshiro Mori, secretary general of the Liberal Democratic Party (LDP), said the party will work out plans to facilitate real estate transactions and stimulate the slumping domestic stock market as part of an economic stimulation program.

He also said a tax reform package to be worked out by the LDP and its coalition partners late this year will include revisions of the tax on profits from land sales, the securities trading tax and the land value tax.

Association Sets Rules for 2d OTC Market

*OW2106132395 Tokyo KYODO in English
1235 GMT 21 Jun 95*

[FBIS Transcribed Text] Tokyo, June 21 KYODO — The Japan Securities Dealers Association on Wednesday [21 June] released a set of rules for a planned "second over-the-counter (OTC) market" that will permit firms even in the red to raise funds by offering shares to the public.

The association plans to create the new "frontier" market this fall to help research and development (R and D)-oriented companies go public. The new regulations therefore permit the registration of R and D firms even if they are in the red, association officials said.

Specifically, the second OTC market will register companies having R and D expenses equal to more than 3 percent of sales, the officials said. To open the new market wider to those companies, the association will lift rules for the existing OTC market requiring firms to have a per-share pretax profit of at least 10 yen in the business year prior to their registration.

In addition, the association will not require companies to have more than 2 million issued shares on the day of registration, the officials said.

The new rules require active disclosure of corporate information to protect investors from high risks.

The association will accept applications for registration in the new market from late July, the officials said.

Fuji Bank Head on Recovery in Banking System

*MS2206122495 London FINANCIAL TIMES
in English 22 Jun 95 p 32*

[Report by Gerard Baker, incorporating remarks by Mr Toru Hashimoto, president Fuji Bank: "A Tortuous Path Over The Rainbow"]

[FBIS Transcribed Text] Without apparent irony, the music piped into the lifts of Fuji Bank's concrete shell of a headquarters in Tokyo's financial heart is "Somewhere over the Rainbow". The sentiment conveys rather well the increasingly vain hopes of Japan's troubled banks that their future is a bright one.

Mr Toru Hashimoto, the bank's president, must find it especially apt. For while Fuji itself is well on the way towards recovery, for Mr Hashimoto, this year the yellow brick road promises to be an arduous path.

The Fuji Bank president carries the burden of being the most influential banker in the country — as chairman for a year of the Federation of Bankers' Associations of Japan, the powerful industry body that liaises between the banks and the regulatory authorities.

His overriding priority will be the continuing crisis in Japan's banking system — the hangover of bad debts from the bubble era of the late 1980s.

From the wood-panelled serenity of his top-floor suite, the maelstrom of crises that dominates the headlines on the streets seems a distant nightmare.

However, Mr Hashimoto is only too aware of the pressures that will make this year a harrowing one. "It is essential to restore stability to the system," he says. "There is real concern now in the country about financial failure."

The phlegmatic chairman is the model Japanese banker. A flawless English speaker after several years at Fuji's

operations in London and New York, he has risen to the top of the banking world on a reputation for innovative thinking.

He will need to call on that record this year. His own bank has one of the strongest asset portfolios among Japanese banks, but he knows that places heavy responsibility on him to bring stability to the system as a whole.

In the last year, land prices across the country have continued to fall, and bad loans have mounted.

The yen's permanent occupation of the currency stratosphere has dimmed the hopes of an early recovery for the economy. And the stock market is still languishing close to 10-year lows.

This all adds up to a deflationary squeeze unprecedented in the past 50 years. And that sort of environment could hardly be worse for a debt-strapped country, or for a fragile banking sector.

Deflation increases the real value of debt and debt servicing costs, and puts greater pressure on banks — all of which has brought the system to a critical juncture.

Mr Hashimoto says the wave of optimism that swept through Japan's banks last year that the worst was over was premature.

"The problem of nonperforming assets in total has not yet passed its peak," he says. "The end of this financial year (next March) will probably be the time we can say that the problem is past the worst."

Unlike some of his colleagues, Mr Hashimoto makes no attempt to play down the scale of the continuing crisis.

The collapse of some smaller institutions is possible, he says, and in words not often heard from the lips of bankers, he adds: "It is quite conceivable in the current circumstances that any failure could touch off financial turmoil."

But there is method to it. Mr Hashimoto is eager to keep the pressure on the authorities to underwrite the financial system in the event of failures.

In recent months, the Japanese public has grown increasingly hostile to the idea of a financial bail-out.

Mr Hashimoto says this opposition is misplaced. The government must stand by the system, he argues, for the sake of stability. "In present circumstances it is likely that virtually any institution will have to be rescued if it is in danger" he says. "The government may need to inject public money in order to save the system as a whole."

However, Mr Hashimoto acknowledges that banks themselves must reform. "Further consolidation of the industry is inevitable... merger activity is likely to focus on the weaker banks," he says.

Mr Hashimoto does not rule out the possibility of more tie-ups along the lines of the Bank of Tokyo/Mitsubishi merger announced three months ago.

Fuji Bank itself has been at the centre of speculation in recent weeks of a similar merger with one of several leading candidates.

"It makes sense even for the leading banks if they can, through a merger, strengthen their institutions, since they face many new challenges," he says.

Mr Hashimoto is inscrutable however. "I am talking only theoretically, of course," he says. "But more mergers like that are quite possible in the near future."

One subject Mr Hashimoto is prepared to be explicit about is another danger facing the financial system — the exodus of foreigners from Tokyo. The continuing financial malaise has persuaded many companies to seek better times elsewhere.

"Yes, there is a financial hollowing out going on, and that presents a serious task for the authorities," he says.

One of his main aims this year, he says is to convince the finance ministry to make further reforms to prevent Tokyo becoming a financial backwater.

Cuts in taxes on security transactions and the creation of a more efficient bond market are essential. Overall, the pace of deregulation must be accelerated.

"There are so many factors that make life difficult for foreigners in the financial markets here. Liberalisation has begun but it needs to be accelerated." That could be a long way over the rainbow.

Management, Union Leaders on Loan Liquidation

OW2206043995 Tokyo KYODO in English
0421 GMT 22 Jun 95

[FBIS Transcribed Text] Tokyo, June 22 KYODO — Views were mixed between the top group of employers and the top trade union organization Thursday [22 June] over how to expedite disposal of banks' nonperforming loans.

In a meeting with leaders of the Japanese Trade Union Confederation (Rengo), Keiichi Konaga, vice president of the Japan Federation of Employers Associations (Nikkeiren), proposed a temporary suspension of land-holding tax and land transaction tax.

But Morishige Goto, acting president of Rengo, brushed off the idea, citing instead advance land purchases by public bodies as an option to be given more priority.

A sharp difference of stance was also observed over how to promote corporate streamlining efforts.

Nikkeiren leaders repeatedly proposed an all-out cut in personnel costs as a way to help companies tide over the severe business environment.

But Jinnosuke Ashida, Rengo's President, was critical of the proposal, saying the idea is understandable if seen from the logic of management but it would produce a sense of distrust among workers.

Tokyo Preparing for Debut of PL Law

*OW2206122295 Tokyo KYODO in English
1001 GMT 22 Jun 95*

[FBIS Transcribed Text] Tokyo, June 22 KYODO — The government has taken various measures to prepare for the implementation of the product liability law on July 1, the Economic Planning Agency (EPA) said Thursday [22 June].

Seminars to publicize the law — designed to protect consumers against defective products — have been held in 365 places nationwide, the agency said.

The government has also sent out pamphlets and books on the new law to educate consumers and smaller companies, an EPA official said. Videotapes and audiocassette tapes on the law have been distributed to local governments, he said.

To reach a wider audience, the government has also aired television and radio commercials and placed advertisements in magazines, the official said.

In addition, institutions have been set up to settle disputes out of court. Mechanisms have also been established to send product technology experts to dispute settlement panels, he said.

The government has also set up networks of organizations which will find out the reason for accidents involving products, and has boosted the function of existing such institutions.

It has made information on accidents more accessible to consumers and has proposed that the administration make public data collected through research on accidents, the official said.

NTT Demands Foreign Firms Meet PHS Formats

*OW2106113195 Tokyo KYODO in English
1115 GMT 21 Jun 95*

[FBIS Transcribed Text] Tokyo, June 21 KYODO — The chief of Nippon Telegraph and Telephone Corp. (NTT) Wednesday [21 June] demanded that foreign suppliers of devices related to the personal handy-phone system (PHS) conform to NTT's PHS specifications if they want to sell to the NTT group.

NTT President Masashi Kojima told a news conference, "The PHS is a purely domestically developed technology."

"Although foreigners have asked us to procure their equipment (for use in the PHS system), I want them, first of all, to establish conformity with our system," Kojima said.

He added that he did not know what would become of foreign requests to open this segment of the telecommunications market.

He cited the Europe-led GSM format — GSM is short for global system for mobile communications — as an example of formats that are technically incompatible with NTT's PHS system.

However, he said NTT procurement would not discriminate against foreign suppliers of sophisticated telecommunications equipment and parts.

Last February, the U.S. Trade Representative's Office asked the Japanese Ministry of Posts and Telecommunications to make sure that the NTT personal communications network group of nine companies — suppliers of the PHS service — abides by a Japan-U.S. agreement concerning NTT procurement of U.S. telecommunications products.

Although the two countries have held three rounds of talks on the PHS-related procurement issue since then, the ministry has been adamant in rejecting U.S. requests to apply the bilateral agreement to procurement by the "NTT Personal Communications" group.

Japanese trade negotiators have turned down the U.S. requests on the grounds that NTT personal communications network companies are mere affiliates of NTT, while the agreement is binding only on NTT itself.

The nine NTT firms are expected to invest a total of 100 billion yen to build up a nationwide network of PHS-related facilities, including "base stations" for connecting radio waves emitted from PHS handsets with NTT's nationwide public telephone network.

The PHS is a new mobile telephone service that will use the palm-sized handsets of digital cordless phones.

Users can take PHS handsets with them around town to place calls at inexpensive rates — less than one-third those of conventional larger mobile phones. The service will start July 1.

Kojima said NTT already concluded contracts with some 40,000 would-be subscribers by early June. If contracts signed by DDI Corp., a competing carrier, are included, the total number of subscribers is "sizable," he said.

Outline of Defense White Paper Discussed

*OW2106111795 Tokyo YOMIURI SHIMBUN
in Japanese 20 Jun 95 Morning Edition p 2*

[FBIS Translated Text] The outline of the defense white paper for 1995 was revealed on 19 June. In the outline, the government presents its basic understanding of the international military situation, and says the "future outlook is unclear." Based on this forecast, the outline expresses the government's intention to "maintain highly reliable and efficient defense capabilities and to improve the capabilities qualitatively." This suggests that the government will not seek to simply reduce arms in revising the "defense plan outline" — the process of work being carried out at present by government offices led by the Defense Agency [DA].

Referring to current defense industry problems stemming from government defense cutbacks, it notes that while the industry is undergoing rationalization efforts, it is also experiencing difficulty in securing technicians. A feature of this year's defense white paper is that it expresses concerns about the possibility that this condition will work as an impediment to efforts of maintaining and securing the foundations of defense technology.

In addition, with respect to the issue of participating in UN peacekeeping operations, it declares that establishment of a special organization separate from the Self-Defense Forces [SDF] to do the job is not necessary, saying: "Such operations call for participation of an organization that has complete capabilities [jiko kanket-suteki]."

On the international military situation, it writes about moves of the DPRK (North Korea), which is suspected of developing nuclear arms, and calls the country "a major element of instability in the whole of East Asia." It also expresses alarm about Russian troop movement in [the Russian] Far East, calling the moves "unclear."

The white paper is made up of four chapters: 1) international military situations; 2) Japan's defense policy and the present state of the SDF; 3) future tasks for national defense; and 4) SDF societal roles. The DA

will make final readjustments of views and present the final version to the cabinet on 30 June.

Murayama: Defense Spending Needs Restraining

*OW2306111195 Tokyo KYODO in English
1009 GMT 23 Jun 95*

[FBIS Transcribed Text] Naha, Japan, June 23 KYODO — Prime Minister Tomiichi Murayama said Friday [23 June] that Japan should put a restraint on defense spending in view of the international move toward disarmament.

"Given the international situation and a review of the nation's defense program, due consideration should be given to it (defense spending)," Murayama said at a press conference in Naha.

"With an easing of worldwide tension, we are now in an era of disarmament. Everybody acknowledges that there will be regional conflicts, but no global war," said Murayama, who is here to attend a ceremony marking the 50th anniversary of the end of the Battle of Okinawa.

But Murayama noted the need to beef up rescue capabilities of the Self-Defense Forces (SDF) to deal with natural disasters, pointing to the Jan. 17 earthquake that devastated Kobe and its vicinity in western Japan, killing over 5,500 people.

He also reiterated that the government will commemorate the 50th anniversary of the end of World War II on Aug. 15, when Japan surrendered to the allied forces.

"It is of great importance to use such a ceremony as a chance to reaffirm the resolution for peace as stated in the constitution," Murayama said.

The planned ceremony has come under attack from some lawmakers in the Liberal Democratic Party (LDP), the largest component of the tripartite ruling coalition.

Murayama stopped short of specifically answering a question about how Japan will respond to a ceremony planned for Sept. 2 by the United States to mark the 50th anniversary of the Pacific war, saying only that Tokyo will consider who to send.

Support Rate for Murayama Cabinet Rises

*OW2206173495 Tokyo YOMIURI SHIMBUN
in Japanese 21 Jun 95 Morning Edition p 1*

[FBIS Translated Text] From 17-18 June, YOMIURI SHIMBUN conducted a nationwide opinion survey to probe the popularity trend for the cabinet of Tomiichi Murayama. According to the survey, the public approval rate for the cabinet was 40.1 percent, up 6.5 points from the previous month when its approval rate was the

lowest since its inception. This is the first 40 percent-level approval rate in the four months since February.

Among the factors that are believed to have contributed to the rate increase are: unity shown by the ruling parties when a nonconfidence motion was rejected by a wide margin; passing of the Diet resolution to mark the 50th year since the end of World War II; good prospects for solving the Aum Shinrikyo-related cases; and the the government's handling of the [Halifax] industrial nations' summit without major problems.

The disapproval rate fell to 44 percent, down by 5.7 percent from previous month.

The support rates for parties increased as well. For example, the support rate for the Liberal Democratic Party [LDP] was 26 percent or 4 points higher than in the previous month. The rate of those who said they have "no party" to support, which was at a record high of 57 percent the previous month, fell to 47 percent. But with the rate of those not willing to support any party running at almost 50 percent, apparently the people's distrust in political parties remains.

The reasons the people gave for approving the cabinet were: 1) They think the present government is better than the former LDP government (33 percent); 2) Prime Minister Murayama is trustworthy (27 percent); and 3) The government's political position is good (24 percent). On the other hand, the reasons the people gave for disapproving the government were: 1) There have been no appreciable political achievements (40 percent); 2) The political position is inappropriate (33 percent); and 3) The government lacks stability (31 percent).

The support rates for the parties other than the LDP are: 10 percent for the New Frontier Party; 9 percent for the Social Democratic Party of Japan; 2 percent each for the New Party Sakigake [Harbinger] and the Japan Communist Party [JCP].

Mori Pledges Continued Support for Coalition

OW2306131395 Tokyo KYODO in English
1302 GMT 23 Jun 95

[FBIS Transcribed Text] Tokyo, June 23 KYODO — A top Liberal Democratic Party official reiterated Friday [23 June] that his party is ready to maintain the tripartite coalition with its two other coalition partners, though loosely.

LDP Secretary General Yoshiro Mori said there should be a two-party system under the single-seat electoral system for the House of Representatives and the LDP, as one of the likely two parties, could appeal to the Social Democratic Party [of Japan] and New Party Sakigake [Harbinger] to form an allied party.

The next general election will be the first under the new lower house electoral system.

Speaking at a local party meeting in Fukui, central Japan, Mori said that the LDP could take the premiership if it wins a majority or turns out to be the largest single party in the next general election.

Mori said that the July 23 House of Councillors election will be a prelude to the lower house poll. The election will fill half of the 252 seats in the upper house.

Turning to economic policy, Mori said the government should take fresh measures to buoy the economy, such as those intended to build up the nation's socioeconomic infrastructure.

Meanwhile, Taku Yamasaki, chairman of the LDP Diet Affairs Committee, said the LDP will seek about 65 seats in the upper house poll but that his party views a winning-or-losing line below that level.

Speaking at a press conference in Marugame, Kagawa Prefecture in western Japan, Yamasaki said the next lower house election could come after the government maps out the next fiscal year's budget, which is usually done in late December.

"The first chance will come late this year," Yamasaki said.

Yamasaki said the ruling coalition under Prime Minister Tomiichi Murayama is a transitional administration until the next general election.

"If Prime Minister Murayama continues in his job until late this year, it would be like him pitching 5 to 6 innings to become eligible for the winning pitcher," Yamasaki said.

Kubo Discusses Election, Murayama Responsibility

OW2206143395 Tokyo YOMIURI SHIMBUN
in Japanese 21 Jun 95 Morning Edition p 2

[FBIS Translated Text] Speaking in an interview with YOMIURI SHIMBUN on 20 June about the upper house election in July and the responsibility for its outcome, Secretary General Wataru Kubo of the Social Democratic Party of Japan [SDPJ] said: "It will be the first election held under the coalition government; at question is how well the ruling parties together will do in it. Mr. Murayama's responsibility as prime minister of the coalition government should be considered separate from (his responsibility as the SDPJ chairman)." He thus expressed the view that even if the SDPJ loses seats in the upper house election, as long as the ruling parties as a whole are judged to have won the confidence of voters, Prime Minister Tomiichi Murayama should not step down.

Kubo has so far insisted that the prime minister cannot escape responsibility in case the SDPJ loses badly, even if the coalition as a whole wins. These remarks by Kubo are noteworthy in that he has modified his earlier position.

Senior Foreign Ministry Appointments Reported

OW2106112395 Tokyo NIHON KEIZAI SHIMBUN in Japanese 21 Jun 95 Morning Edition p 7

[FBIS Translated Text] After finishing his diplomatic assignments to the Halifax Summit of leaders of the advanced nations and France, Yohei Kono, deputy prime minister and foreign minister, made new appointments to senior Foreign Ministry posts on 20 June.

Director General Yutaka Kawashima of the Asian Affairs Bureau will replace Director General Shunji Yanai of the Foreign Policy Bureau, who is expected to be promoted to deputy vice minister in charge of political affairs. Kawashima's post will be taken up by Consul General Ryoza Kato in San Francisco.

Director General Masaki Orita of the Treaties Bureau and Consul General Kazuyoshi Urabe in Strasbourg, France, will replace Director General Atsushi Tokinoya of the North American Affairs Bureau and Director General Issei Nomura of the European and Oceanic Affairs Bureau, respectively. Tokinoya and Nomura are expected to be appointed to ambassadorial posts. Orita's post will be taken by Akira Hayashi, councillor in charge of arms management and science, while Special Envoy to France Takekazu Kawamura will replace Hayashi.

Director General Hiroshi Hirabayashi of the Economic Cooperation Bureau, who is expected to be promoted to chief of the Councillors' Office on External Affairs under the Prime Minister's Office, will be replaced by Atsushi Hatakenaka, chief of the Consular and Migration Affairs Department, while Hatakenaka's post will be taken up by Consul General Masaki Saito in Seattle.

Furthermore, Kunisada Kume, ambassador in charge of nuclear inspection, will be promoted to take up the post of Makoto Watanabe, chief of protocol, while Shunichi Sato, chief of the Cultural Affairs Department, and Kojiro Takano, chief of the Department of Cooperation with the International Community, will be replaced by Special Envoy to Thailand Seiichiro Otsuka and Kazuo Asakai, councillor at the Economic Affairs Bureau, respectively.

Official appointment papers for the above positions will be issued in early August.

Politics in Bureaucratic Personnel Affairs

OW2206012095 Tokyo AERA in Japanese 12 Jun 95 pp 6-8

[Article by Yosuke Iso and Toshiaki Miura, AERA editorial staff members: "Political Intervention in Personnel Affairs of Ministries of Finance and International Trade and Industry: Great Worry at Kasumigaseki — Japan's Political Center"]

[FBIS Translated Text] At around the time Ryutaro Hashimoto, Japanese minister of international trade and industry [MITI], and Mickey Kantor, U.S. trade representative, engaged in a verbal battle over the issues of automobiles and auto parts, a sensation spread in MITI, revolving around information about personnel changes scheduled to take place at the end of June.

The information said the June personnel changes will be limited in scale and Patent Office Director General Akira Takashima will be promoted to administrative vice minister in the coming year.

Director General Takashima has been regarded as one of the "four gang members" who were said to have plotted to distribute reprehensible literature on the dismissal of Masahisa Naito, director general of the Industrial Policy Bureau, by then MITI Minister Hiroshi Kumagai the year before last. After the incident, he was moved from the Environmental and Industrial Location Bureau director general post to the Patent Office director general post, leaving an impression that he will never be allowed to return to a main ministry post.

If and when Takashima becomes administrative vice minister, the "four gang members" will make a certain comeback. It is feared that the air within the ministry, which has recently recovered its serenity, will again be shaken in fear of anticipated factional strife.

Observers say that MITI Minister Hashimoto turned to a hard-line policy in Japan-U.S. automobile negotiations because he had adopted a script written by one of the "four gang members," Hisashi Hosokawa, director general of the International Trade Policy Bureau.

MITI's official position was curtly described by the Personnel Division of the minister's Secretariat as "those directly involved in the automobile negotiations are Yoshihiro Sakamoto, deputy vice minister, and Osamu Watanabe, director general of the Machinery and Information Industries Bureau. The matter of the administrative vice minister one year away must be totally undecided."

"MITI Is in the Last Stage of a Downfall"

However, a MITI observer testified that a certain scenario had been revealed at a study meeting of younger-generation bureaucrats with a leading dietman of the LDP as a host.

The dietman explained why MITI Minister Hashimoto dares join hands with the four gang members who are regarded as being close to Shinshinto [New Frontier Party]. Hashimoto is said to be mapping out a strategy to "grab the prime minister's post" with an "alliance of conservatives" between the LDP and Shinshinto.

Ryo Takasugi, who wrote the novel "Reppu" [A Gale] based on Naito's dismissal, analyzed the Naito incident "as a coup d'etat by non-mainstreamers taking advantage of politics rather than political intervention in bureaucrats' personnel affairs." Therefore, he concludes that the four gang members' restoration is in accordance with the original script. He made a scathing comment that "the man in control of personnel affairs is not Vice Minister Tomio Tsutsumi, but is the channel connecting Hosokawa, director general of the International Trade Policy Bureau, and Nakano, deputy director general of the Machinery and Information Industries Bureau," adding, "MITI as an organization is in the final stage of a downfall."

One and a half years have passed since the dismissal of the hopeful candidate for the post of administrative vice minister on the grounds that he gave a favored promotion to the son of the then vice minister, but the unextinguished strife involving personnel affairs continues. An ex-MITI veteran who had been one of the ministry's director generals disgorged his disgust: "Junior officials who come to me for consultation tell me the story and I am sick and tired of listening to such stories because it is like fighting for a position on the bow of a sinking ship."

MITI's declining authority is pointed out from not only the factional strife involving politicians but also from the fact that retired MITI veterans are unable to stay long at private industries where they descend from heaven.

At the 29 June board of directors meeting after the general meeting of stockholders of Fujitsu Ltd., the retirement of senior Director Shigeo Muraoka, who had been accepted as an executive officer from MITI's No. 2 post of deputy vice minister, will be decided. His will be an executive for only four years and after retirement he will become chairman of a subsidiary, Fujitsu System Soken. According to the Fujitsu public relations office: "He will be in charge of overlooking the whole system of the group's businesses from a wide perspective."

However, an ex-MITI official expressed doubt: "Is it not unusual that he is being forced to retire without being promoted to vice president?"

Amakudari [Descent From Heaven] Is Not Done as Desired

In 1993, former MITI Vice Minister Yukiharu Kodama could not make his decent from heaven to Mitsubishi Petrochemical Co., Ltd. as informally decided due to the resistance of the company itself. The reason seemed to be that necessary prearrangements within the company had not been made in time, following the sudden death of the president, who was also an ex-MITI official. Kodama at last became chairman of the board of directors of Shoko Chukin Bank. It was an incident symbolizing a decline of MITI's authority and prestige.

Former MITI Vice Minister Shinji Fukukawa who descended to Kobe Steel, Ltd. retired from that company after a little over four years in office and he now heads Dentsu Soken. Former MITI Deputy Vice Minister Makoto Kuroda, who came to fame through negotiations with the United States, is scheduled to retire from Mitsubishi Corporation in June.

"It is serious that private businesses keep away from MITI, however grave the recession is," lament many MITI bureaucrats. An ex-bureaucrat tells this episode of funny or grumbling character: "Elevators in the MITI building are deserted these days, in comparison to the old days when leading staff of private businesses crammed in them in a desperate effort to grab bureaucrats who were going out for lunch."

Japan's power used to be supported by a strong conglutination structure among politicians, bureaucrats, and businessmen. However, in the midst of mounting tension between politicians and bureaucrats as a result of political confusion, the private sector seems to be attempting to keep its distance from bureaucrats.

A leading ex-MITI official who once was a bureau director general made this cool analysis: "MITI's role was finished in the seventies, as the industrial policy of catching up and passing Europe and the United States was accomplished to a certain degree. From the eighties, MITI has become a coordinator of trade friction. Since it cannot work out and launch a national policy objective, it is engrossed in nonsensical factional strife."

Meanwhile, on 26 May at another elite public office — the Finance Ministry — Administrative Vice Minister Jiro Saito, accompanied by his successor Kyosuke Shinozawa, was conducting a retirement news conference.

"Fundamentally, a bureaucrat is a prompter in support of a regime. In that sense, it was against my will that

I appeared in various media." The administrative vice minister who was said to be a man of such outstanding ability as to be found once in 10 years looked into midair with hollowed eyes.

It was a month earlier than usual that senior Finance Ministry personnel changes were announced. This is unusual.

In April, Finance Minister Masayoshi Takemura summoned Saito to the minister's office to tell him: "I want you to stop working as the administrative vice minister as of the end of this month so that you can become a member of the minister's Secretariat."

"I cannot obey you." Saito stubbornly resisted on the ground of governmental practices. Thus, both sides compromised that Saito would resign in May, it was said.

Under the Morihiro Hosokawa regime, Saito used to have a strong channel with Ichiro Ozawa of the then Shinseito [Japan Renewal Party] and displayed dreadful ability in attempting to introduce the national welfare tax. Many LDP dietmen did not like it and thought the Finance Ministry, long regarded as a member of their family, had changed its mind. When the LDP came back to power and the scandals involving two credit associations were exposed, demands for his resignation gushed out furiously. The finance minister's decision was understood to reflect the thinking within the LDP.

Within the Finance Ministry is some criticism of Saito and his manner of taking command: "Finance Ministry bureaucrats are coordinators and they should not attract attention nor be regarded as outstandingly capable."

However, there is astonishingly strong repulsion within the ministry against being attacked when the regime changes hands, because bureaucrats are supposed to serve whatever regime is in power. In contrast to MITI, the sense of unity within the "Finance Ministry family" became stronger than ever, because their pride was heavily damaged.

Political Control Through Influence Over the Finance Ministry

Nobutaka Machimura, Ex-MITI bureaucrat and now a dietman, says that "a ministry that has its personnel changes intervened in by politicians is a second-rate government agency." When he was a parliamentary vice minister of education, Machimura was visited by a section chief who had no particular business to call on him but to tell Machimura: "I have been under the direct guidance of Mr. Yoshiro Mori [current LDP secretary general]."

Mori is one of the "bunkyo-zoku" who exert powerful influence over the Education Ministry and the section chief was selling himself to Machimura, who was on good terms with and in the same faction with Mori. No few government agencies are reputed to be under LDP influence in making their senior personnel changes.

When the LDP was in power for a long time, bureaucrats were often heard to say, "Was an explanation given to the party?"; and the "party" meant the LDP. Bureaucrats ran on the LDP ticket in elections and associations under the influence of ministries and agencies worked as election machinery of candidates on the LDP ticket. Under the LDP's one-party control, they formed a relationship of mutual dependence.

With the power of influence over the Finance Ministry as leverage, the late former Prime Minister Kakuei Tanaka and former Prime Minister Noboru Takeshita ruled the political world. Shigezo Hayasaka, former secretary to Tanaka and now a political critic, determines the source of Tanaka's power as "his control over the Finance Ministry, as nonetheless 'yami-shogun' [shogun under the cloak]." Hayasaka quoted Tanaka as saying during his heyday: "A government official hesitates to make a decision by himself because his career will be ruined in case of failure. What the politicians should do is show him a direction and take the responsibility. All officials descend from heaven to nongovernment organizations. Let them make a fresh start again that will please their wives who had supported their husbands during hardship. Then, they will provide you with wisdom by reasoning that 'although this guy is a civil engineering contractor with only a primary school education, I have nothing to lose by following him because he will take all the responsibility.' Such are government officials."

With the advent of governmental changes, a question is raised as to the future relationship between the ruling political party or parties and bureaucrats. There has emerged an opinion critical of the powerful authority of the Finance Ministry, which extends from its authority to collect taxes to working out financial policies and formulating national budgets. It demands reviewing the role of politics.

Relations Between Politicians and Bureaucrats Are Difficult To Reform

Dietman Fumihiko Igarashi of Sakigake [Harbinger], who published a book entitled "A Treatise on Dissolving the Finance Ministry," proposes strengthening the functions of the prime minister's office and to transfer the authority of formulating the national budget from the Finance Ministry to the prime minister's office. He

said: "Under the catching-up pattern economic policy of overtaking and passing Europe and the United States, politics and the administration looked in the same direction. Therefore, up until now, minor adjustments have been tolerated, despite a lack of tension between politicians and bureaucrats."

Dietman Kazuo Aichi of Shinshinto proposes that "politicians should lead government officials by making their ideals public." It is doubtful whether such a reform can be accomplished in a single day.

Acting Shinshinto Secretary General Kozo Watanabe, who has had a long association with bureaucrats as a leading figure in the old Takeshita faction, was skeptical. "As a matter of fact, it is the job of politicians but it is difficult for them to mention a tax increase or budget cutback when elections are taken into consideration. So far, the Finance Ministry was forced to play the role of villain to put things in order. If the Finance Ministry's authority was weaker, the financial situation would have gotten out of control and inflation would have ensued." He added: "When elections under the single-seat constituency system are held, it will become increasingly harder for a politician to act like that."

North Korea

Japan's 'Militaristic' View of History Blasted

SK2306103795 *Pyongyang KCNA in English*
1026 GMT 23 Jun 95

["Japan Urged To Get Rid of Militaristic Conception of History" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 23 (KCNA) — If Japan wants to win international confidence and become a full-fledged member of the international community, it should get rid of militaristic conception of history, clearly liquidate the past and take the road of peace. This must be done by Japan on the occasion of the 50th anniversary of the defeat of the Japanese imperialists in World War II.

NODONG SINMUN today says this in a signed article.

The article goes on:

It is owing to the Japanese reactionaries' militaristic conception of history that moves of negating and justifying the history of aggression are being intensified in the central and local areas of Japan with the approach of the 50th anniversary of the defeat.

Their militaristic conception of history is manifested in contending that the history of aggression is "righteous".

It is a historical fact that the criminality of Japan's past aggression and war has already been adjudicated by the international tribunal and recognized by the world.

Japan's past crimes of aggression are hardly a matter for argument.

If one commits a hideous crime against history and humankind, it is only fair to feel responsibility for, repent of and atone for one's crime. However, such an attitude cannot be found from the Japanese reactionaries.

By negating their past crimes with militaristic conception of history, the Japanese reactionaries committed one more crime. They are seeking to cover up the anti-historical, anti-ethical crimes of the Japanese imperialists, spread militaristic poison in Japanese society and realise their wild ambition for "world empire" which was failed in the past. This is why military overseas aggression has been undisguised and moves of embellishing the past crimes and opposing the liquidation of the past are being intensified in Japan.

Spokesman on Japan's 'No-War Resolution'

SK2306105695 *Pyongyang KCNA in English*
1045 GMT 23 Jun 95

[FBIS Transcribed Text] Pyongyang, June 23 (KCNA) — The spokesman of the Foreign Ministry of the Democratic People's Republic of Korea [DPRK] issued a statement today regarding the "Diet resolution on the 50th year after the end of war" which passed through the House of Representatives of Japan a few days ago.

The spokesman said:

The resolution is nothing but a document to conceal the war crimes of Japan and avoid Japan's liability for atonement for the past crimes.

The resolution shows that Japan is not yet ready to admit and sincerely apologize for the past aggression war and colonial rule.

The resolution denies Japan's responsibility while trying to imply that Japan was involuntarily involved in others' criminal acts.

It must not go unnoticed that the phraseology "difference in views on history" was inserted in the resolution. This makes it possible to totally deny the crime-woven past at any time.

The "no-war resolution" cannot be called so in the true sense of the word in that it contains no explicit term of apology for the past crimes and no promise not to unleash a war again. This fully shows Japan's ulterior intention to make overseas aggrandizement when the time comes.

The behavior of Japan is an insult and challenge to the Korean people who suffered biggest damages by the

Japanese imperialists in the past and are now demanding its liquidation of the past and Asian peoples.

Japan's unjustifiable act will fuel the antipathy against and distrust in Japan among the Korean people and the world peoples.

It is obvious that the international community will never trust Japan, which has still harboured a sinister intention though fifty years have passed since Japan was defeated in the war.

The DPRK Government strongly urges Japan to properly admit its past crimes and make an adequate apology and compensation and will fight to this end.

We are keeping tabs on the attitude of Japan.

Daily Criticizes 1965 ROK-Japan Agreement

SK2206120495 *Pyongyang KCNA in English*
1035 GMT 22 Jun 95

["Commentator's Article on South Korea-Japan 'Agreement'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 22 (KCNA) — NODONG SINMUN today comes out with a commentator's article on the South Korea-Japan "agreement" signed on June 22, 1965.

Recalling that as soon as the "agreement" was signed, the DPRK solemnly declared that it would never recognize but resolutely reject the "agreement", the commentator stresses this stand of ours will never change in the future, either.

The commentator says:

Thirty years have passed since the signing of the criminal "agreement" between the South Korean puppets and the Japanese reactionaries, nevertheless, the treacherous and aggressive nature of the "agreement" has been brought into bolder relief.

Branding the "agreement", an offspring of the U.S. policy toward Korea and Asia, as a document which bartered away the dignity, sovereignty and interests of the Korean nation, the commentator goes on:

Just as the "Ulsa Five-point Treaty" of 1905 which was faked up illegally by means of fraud and swindle is invalid, so the Japan-South Korea "agreement", its replica, is invalid.

The Japanese reactionaries are now vociferating about the validity of the "agreement" of 1965. This is a blasphemy to the dignity of all the Korean people.

In the "agreement", the South Korean puppets failed to insert the word of Japan's apology for the past crimes

of the Japanese imperialists. As yet, they have received no atonement and reparation.

The commentator further says:

No matter how many years may pass and whatever they may say, the South Korea-Japan "agreement" will remain a humiliating and treacherous document, an evidence laying bare the treacherous nature of the South Korean puppets.

Japan has done nothing to liquidate the past related to us.

The Japanese authorities are trying to bury the Japanese imperialists' past crimes in the oblivion of history and shirk their responsibility for reparation and atonement. We cannot overlook such an act.

Our people have a just right to urge Japan to liquidate the past. We will make, in a dignified way, the Japanese imperialists pay for their crimes, while defending the dignity of the Korean nation and the sovereignty of the country. This is our consistent stand of principle.

The Japanese Government must honestly admit all the crimes committed against the Korean people in the past, sincerely apologize for them and pay adequate reparations and atonement. Doing so is necessary for Japan itself. As long as the Japanese Government refuses to settle the issue of liquidating the past with us, it will not be qualified to talk about the issue of liquidating the past nor enjoy the confidence of the Asian people.

This year marks the lapse of 50 years since the defeat of the Japanese imperialists in World War II. The Japanese Government must take the 50th anniversary of the defeat of Japanese imperialism as an occasion of its new start by honestly liquidating the past.

'Impeachment' Motion Against Kim Yong-sam Cited

SK2206115895 *Pyongyang KCNA in English*
1013 GMT 22 Jun 95

["Fascist Hangman Must Be Impeached" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 22 (KCNA) — About 30 democrats of South Korea submitted a "motion of impeachment" against the traitor Kim Yong-sam to the puppet National Assembly on June 20, a radio report from Seoul said.

The motion was signed by more than 1,500 people of all walks of life.

Kim Yong-sam is harshly suppressing the righteous action of the workers of South Korea's telecommunication

company, branding it as an "attempt to overthrow the state."

The motion defines the traitor's harsh suppression as "violation of the three rights of labour which are guaranteed by the 'Constitution'" and as something that "deserves impeachment at the 'National Assembly.'"

This is a very reasonable demand which fully reflects public opinion in South Korea.

Kim Yong-sam is a brutal gangster ignorant of law and morality without precedent in history. He issued repressive orders to suppress the workers' struggle for elementary democratic liberties and rights, branding it as a "conspiracy of a rebellion" and "attempt to overthrow the state." He even raided an inviolable cathedral and temple.

The South Korean people's struggle to impeach Kim Yong-sam is an eruption of their pent-up resentment at him and heralds a new phase in the anti-Kim Yong-sam struggle that has continued so far.

Nothing can block the fierce struggle of the South Korean people, which reflects their resolution and will to punish Kim Yong-sam for the crimes he has committed since he took office.

Kim Yong-sam, the fascist hangman, must be impeached.

Labor 'Struggle' of ROK Professors Union Cited

SK2306045495 *Pyongyang KCNA in English*
0414 GMT 23 Jun 95

[FBIS Transcribed Text] Pyongyang, June 23 (KCNA) — The trade union of university professors in South Korea started a struggle on June 20 in demand of the right to existence and democratic freedom, according to a radio report from Seoul.

It reported a dispute to the "Ministry of Labour" and the "Central Labour Committee" that day. It demanded collective bargaining of Korea and Songkyunkwan Universities several times from April but the university authorities did not accede to it.

The trade union dispute of university professors, the [words indistinct], is drawing attention of all circles, the report said.

Korean Industrialists in Japan Hold Meeting

SK2206103695 *Pyongyang KCNA in English*
1006 GMT 22 Jun 95

[FBIS Transcribed Text] Tokyo, June 20 (KNS-KCNA) — The 6th enlarged meeting of the 24th council of the Federation of Korean Traders and Industrialists in Japan was held in Tokyo on June 19.

The participants in the meeting paid a silent tribute to the memory of the great leader Generalissimo Kim Il-song.

Director General of the federation Om Chang-pom in his report on the first agenda item "On powerfully arousing compatriot traders and industrialists to implement the historical letter sent by the great leader Marshal Kim Chong-il on the 40th anniversary of the formation of the General Association of Korean Residents in Japan," stressed the need to further strengthen and develop the organisation of traders and industrialists into a patriotic organisation unfailingly loyal to the respected general and thoroughly realise his idea and leadership over the movement of Koreans in Japan, with the firm faith that we are sure to win victory under his guidance.

The meeting heard a report on the second agenda item "On convening the 25th conference of the Federation of Korean Traders and Industrialists in Japan".

The conference will be held on September 27.

A letter to Marshal Kim Chong-il was adopted at the meeting.

Kim Chong-il's Ideology, Leadership Stressed

SK2306062495 *Pyongyang NODONG SINMUN*
in Korean 17 May 95 p 1

[Editorial: "Let Us Uphold the Great Kim Chong-il's Ideology and Leadership With Loyalty"]

[FBIS Translated Text] All party members and working people throughout the country are now vigorously carrying out the all-out advance movement to accelerate the socialist cause by upholding the party Central Committee's slogans on the occasion of the 50th anniversary of the founding of the party. All sectors and units in the socialist construction are vigorously carrying out the organizational and political work to implement the slogans, further displaying their spirit of creation and innovation. With a high sense of enthusiasm and courage, we should thoroughly implement all tasks presented by the party Central Committee's slogans. What is most important here is to uphold the great leader Comrade Kim Chong-il's ideology and leadership with loyalty.

The party Central Committee's slogans on the 50th anniversary of the founding of the Workers Party of Korea [WPK] has indicated: "Let us endlessly become loyal to the leader's ideology and leadership, cherishing deep in our hearts the fact that we are blessed with the leader generation after generation!"

The slogans — which reflected the unanimous aspiration and firm and solid determination of our people, who want to bravely embark upon the 10 million-ri road of

the revolution under the leadership of the great Comrade Kim Chong-il by upholding the fatherly leader forever as the sun of chuche — are the slogans of faith we should eternally hold to achieve our fatherland's endless prosperity and development, as well as to win the final victory of the chuche revolutionary cause.

The great leader Comrade Kim Chong-il's ideology and leadership is the lifeline of our revolution. Because of the respected and beloved Comrade Kim Chong-il's great ideology and wise leadership, the ever-victorious socialism of our own style can exist today. Also, the bright future of our fatherland and revolution can be opened. Therefore, we should regard it as a motto of all struggles and life to become endlessly loyal to the great Comrade Kim Chong-il's ideology and leadership.

Endlessly being loyal to the great leader Comrade Kim Chong-il's ideology and leadership is a sacred work to achieve the chuche revolutionary cause by constantly enhancing the leadership role and by eternally strengthening and developing our party into the party of Comrade Kim Il-song.

The great leader Comrade Kim Il-song has taught: "Only when we properly uphold Comrade Kim Chong-il's leadership can we strengthen our party and more properly carry out the revolution and construction by further enhancing the role of the party leadership."

The great leader Comrade Kim Il-song's ideology and leadership is just the ideology and leadership of the respected and beloved Comrade Kim Chong-il. With his outstanding ideology and leadership ability, the great leader Comrade Kim Chong-il is today leading our party, people, and the revolutionary armed forces to the single road of ever-victoriousness.

During his lifetime, the fatherly leader taught that the entire party, all people, and the entire Army should unite over and over again around the great Comrade Kim Chong-il to endlessly complete the chuche revolutionary cause. With loyalty, we should uphold the great Comrade Kim Chong-il's ideology and leadership who is the destiny and future of our fatherland and revolution, highly upholding the fatherly leader's behest. By so doing, we can constantly adhere to the chuche-oriented character of our party, display the honor and dignity of the chuche fatherland, and build on this land a communist society in which the chuche idea has been embodied victoriously.

Being endlessly loyal to the great Comrade Kim Chong-il's ideology and leadership is the proper duty and obligation of all party members and working people, who enjoy a rewarding life and happiness, entrusting

their destiny and future to the respected and beloved Comrade Kim Chong-il.

All of our party and working people are the revolutionary fighters who grew up as true revolutionaries in the bosom of the great party and leader.

Even if we live for a moment or fight on throughout a whole life, we should always remember the love and benevolence given by our party and should pay a reward for it with loyalty. To achieve this, we should eternally uphold the great Comrade Kim Chong-il's ideology and leadership with a single-hearted mind of loyalty and dutifulness.

Our people are the people fostered by the great leader [suryong] and the great leader [yongdoja], as well as the outstanding people who resemble the great leader [yondoja]. The ethos of our people is to follow the great Comrade Kim Chong-il's ideology and faith even when they follow the ideology and faith, as well as to speak and practice as intended by the great Comrade Kim Chong-il when they speak and practice.

Our people have the same ideological faith, aspiration and goal, and the revolutionary method and the way of life. We should further enhance such outstanding ethos in today's struggle to implement the party Central Committee's slogans. By so doing, we should demonstrate to the world once again the vigorous spirit of our people who live as intended by the leader, who advance along the road indicated by the leader, and who perform a century miracle with the might of single-hearted unity around the leader.

First, all party members and working people should cherish deep in their hearts the absolute admiration for the great leader Comrade Kim Chong-il.

The loyalty to endlessly follow the leader's ideology and leadership can be displayed at the most sacred height only if we cherish deep in our hearts absolute admiration for the leader. Based on the firm faith that their leader is the first, our people's loyalty is being displayed highly.

Our people have embarked upon the brilliant and proud road of victory and glory by upholding the great leader Comrade Kim Chong-il. In this course, they have keenly felt the greatness of the respected and beloved Comrade Kim Chong-il, whom no one can ever match. All party members and working people should eternally cherish in their hearts the faith that they hold through the practical life, as well as the iron-rock faith that because the great Comrade Kim Chong-il exists, the bright future of the Kim Il-song nation and the final victory of the chuche revolutionary cause exists. Thereby, we should uphold the respected and beloved Comrade Kim Chong-il with loyalty generation after generation. Every

one should become vanguard fighters, as well as true loyalists in their struggle to safeguard and adhere to the great Comrade Kim Chong-il's ideology and leadership and to thoroughly implement them. Also, they should guarantee the respected and beloved Comrade Kim Chong-il's dignified authority in every way.

Deeply learning the greatness of our party's ideology and leadership and more firmly uniting around the party center in one heart and one will is an important demand for forever upholding with loyalty and thoroughly embodying the ideology and leadership of the great Comrade Kim Chong-il.

The ideology and leadership of the great Comrade Kim Chong-il is the ever-victorious banner of our revolution and a basic guarantee for the endless prosperity of our fatherland. We are able to remain unshaken and vigorously accelerate the socialist construction with confidence under any circumstances thanks to the proficient and tested leadership of the great Comrade Kim Chong-il.

Through the proud history of struggle and the rewarding reality of today, all party members and working people should learn with faith how great, scientific, and wise is the ideology and leadership of the respected and beloved Comrade Kim Chong-il. They should engrave in their hearts the great national pride and confidence of upholding an extraordinary leader, who guides the era of independence with his outstanding ideology and leadership in carrying out the revolution. We should fully understand the correctness, truthfulness, and invincible vitality of the great Comrade Kim Chong-il and live and work while taking the party's ideology and theory as the motto of struggle and life anytime anywhere. We should bear deep in our hearts the great national honor and happiness of upholding the great Comrade Kim Chong-il, who is an outstanding ideologist and theorist, extraordinary politician, and iron-willed sagacious general, as the center of unity and leadership, and should unite around him steel-strong. We should brilliantly embody the ideology and leadership of the great Comrade Kim Chong-il with the might of the single-hearted unity, with which all the party membership, all the people, and the entire Army move as one, and by doing so, achieve the independent reunification of the fatherland and complete the chuche revolutionary cause.

Boundless loyalty toward the ideology and leadership of the leader should be displayed in the actual struggle. Those who uphold the leader's ideology and leadership not by words but by actual results are genuine loyalists and dutiful children.

Today, the great leader Comrade Kim Chong-il is energetically leading the struggle to implement the party's revolutionary economic strategy with the firm determination to thoroughly implement the fatherly leader's teaching of his lifetime and significantly improve the people's living standard in the near future. We should devote all our wisdom and energy and brilliantly implement the party's decision by all means. In doing so, we should highly demonstrate the loyalty toward the ideology and leadership of the great Comrade Kim Chong-il. To this end, all functionaries, party members, and working people should responsibly carry out their duties.

Even if the works assigned to party members and working people are different from each other, all of them have the honorable revolutionary duty in achieving the great leader Comrade Kim Chong-il's ideology and intention. Therefore, this work cannot be done by someone else. Clearly elucidated in the party Central Committee's slogan are the struggling goals and tasks that should be achieved in all sectors of the revolution and construction, as well as in all units. As demanded by the slogan, our functionaries should become the hands and feet, as well as the banner in achieving the leader's plans and intent, thus being deeply aware of the heavy duty as the commanding members of the revolution. Our working class and agricultural working people should fulfill their duties as fighters of the party in a struggle to actively and decisively increase grain production, while fully implementing the nation's economic plans. Scientists and technicians should keep their obligation to the leader by achieving the new scientific and technological success that will actively contribute to implementing the party's revolutionary economic strategy. The great Comrade Kim Chong-il's intent and plans will be brilliantly achieved only if all our functionaries, party members, and working people firmly defend the revolutionary posts assigned to them without forgetting, even for a moment, the pledge they cherished in their hearts in bloody tears before the fatherly leader's bier. Also, my country, my fatherland will be further glorified as the paradise of better life for the people.

It is important for all functionaries and working people to train themselves politically and ideologically, as well as to constantly enhance the level of working ability in order to become endlessly faithful to the great Comrade Kim Chong-il.

As elucidated by the great leader Comrade Kim Chong-il, man will analyze, assess, and act according to how much he knows.

All of us should steadily carry out this work, cherishing deep in their hearts the fact that politically and ide-

ologically training themselves and enhancing the level of working ability are very significant in embodying the great Comrade Kim Chong-il's ideology and leadership. All party members and working people should fully study the great leader Comrade Kim Il-song's works and the party's documents, making them become their bone and flesh. Also, they should make steady efforts to fully enhance the political view. Along with this, they should vigorously struggle to master the abundant knowledge and technology to more satisfactorily fulfill the revolutionary tasks assigned to them.

In particular, functionaries should set examples for carrying out the work to enhance the political and businesslike qualification. They should have a high political sense and, also, make constant efforts to enhance the level of working ability so that they can satisfactorily fulfill any difficult tasks presented by the party.

Today the destiny and future of the party and revolution, fatherland and the nation totally depend upon the great leader Comrade Kim Chong-il. Under these circumstances, there is no other important and rewarding work than being endlessly loyal to the great Comrade Kim Chong-il's ideology and leadership. All party organizations should vigorously carry out the ideological indoctrination work in order to make party members and working people become fully aware of the greatness of our party's ideology and leadership on the occasion of the 50th anniversary of the founding of the party. As a result, they should more strongly make our revolutionary ranks become a crystal of the single-hearted mind of loyalty and dutifulness that endlessly follows and embodies the great leader's ideology and leadership.

Cherishing deep in their hearts the fact that they are blessed by the leader generation after generation, all should be endlessly loyal to the great Comrade Kim Chong-il's ideology and leadership. As a result, they should make my country, my fatherland become more strong and prosperous. Also, they should endlessly complete the chuche revolutionary cause.

Daily Calls for Uniting Around Kim Chong-il

SK2206144195 *Pyongyang NODONG SINMUN*
in Korean 5 Jun 95 p 1

[Editorial: "Let Us Accelerate the General Onward March by Single-Heartedly Uniting Around Great Comrade Kim Chong-il"]

[FBIS Translated Text] Unity is our party's revolutionary philosophy and the foundation of the revolution.

Today's general onward march, in which the entire party, all people, and the entire Army have vigorously

stood up in hearty response to the party Central Committee's slogans released on the 50th anniversary of the party's founding, is a march of loyalty to accelerate the implementation of the chuche-oriented socialist cause at the behests of the great leader Comrade Kim Il-song. This is an honorable and worthwhile struggle to score new upsurges in socialist construction by single-heartedly uniting around the great leader Comrade Kim Chong-il and breaking through arduous storms in the revolution.

We must live on the idea on single-hearted unity, march forward with the spirits of single-hearted unity, and win greater victories on the strength of single-hearted unity. In this way, we must once again vigorously display in the general onward march movement throughout the world the invincible might of our people who are strongly united around the great leader Comrade Kim Chong-il.

The party Central Committee's slogans released on the 50th anniversary of the party's founding point out:

"The entire party must unite, unite, and unite around respected and beloved Comrade Kim Chong-il in hearty response to the behests of the great leader Comrade Kim Il-song."

These slogans contain our people's unanimous aspirations and strong will to walk along the 1,000- or 10,000-ri road of the revolution by single-heartedly and strongly uniting around the great leader Comrade Kim Chong-il.

Let us unite, unite, and unite around great Comrade Kim Chong-il!

This is the solemn demand of the era and the revolution and an imperishable militant banner that our party and people must adhere to as an eternal lifeline.

All party members and workers must always resolutely fight as demanded by this slogan in today's general onward march movement.

The great leader Comrade Kim Chong-il is the single-heartedly united body of the leader [suryong], the party, and the masses; the top brain of social and political organisms; and the symbol of all our victories and honor. There can be no destiny or future of ours apart from respected and beloved Comrade Kim Chong-il; the future of the fatherland and the nation is unthinkable apart from him; and apart from him one cannot say anything about the ultimate victory of the chuche revolutionary cause. We must consider wholly entrusting all our destiny to great Comrade Kim Chong-il and fighting by single-heartedly uniting around him to be the noblest demand in life. We must also strive to strengthen our single-hearted unity.

Uniting, uniting, and uniting around respected and beloved Comrade Kim Chong-il is the noblest struggle to purely inherit our revolution's tradition of single-hearted unity and, thus, brilliantly inherit and complete the *chuche* revolutionary cause.

The great leader Comrade Kim Chong-il has taught:

"All officials must make positive efforts to inherit our revolution's tradition of single-hearted unity and further strengthen the unity and cohesion of the party centered around Comrade Kim Chong-il and the revolutionary ranks."

A revolution starts with unity and is brilliantly completed by inheriting the unity.

The tradition of single-hearted unity which was built by the great leader Comrade Kim Il-song during the period of the anti-Japanese revolutionary struggle is the eternal lifeline of the Korean revolution. The tradition of unity around the leader [*suryong*], of unity based on the leader's [*suryong*] revolutionary ideas, and of unity based on revolutionary obligations between the leader [*suryong*] and the warriors has been brilliantly inherited because we earlier began to fight while highly upholding the great leader Comrade Kim Chong-il as the center of unity. Even amid the greatest sorrow at the loss of the fatherly leader, we further consolidated our single-hearted unity without shaking at all. This is because we had this valuable tradition built by the great leader and were upholding respected and beloved Comrade Kim Chong-il, who is purely inheriting this tradition.

Our single-hearted unity around the great leader Comrade Kim Chong-il is invincible unity and cohesion which we have more resolutely consolidated in the prolonged and arduous practical struggle and great unity which possesses boundless might because we have the firm center of the unity, ideological and volitional unity, and pure moral obligations.

While alive, the great leader Comrade Kim Il-song cordially taught the entire party and all the people to single-heartedly unite around the respected and beloved Comrade Kim Chong-il and complete the *chuche* revolutionary cause. Only when we cherish the fatherly leader's behests deep in our hearts and further consolidate the single-hearted unity around the respected and beloved Comrade Kim Chong-il, can we strongly defend our revolution's tradition of unity and complete the *chuche* revolutionary cause cultivated by the leader [*suryong*] to the end.

Uniting, uniting, and again uniting around the respected and beloved Comrade Kim Chong-il is a basic guarantee to celebrate the 50th anniversary of the founding of the party as the victors' grand festival.

Today, the entire party and all the people are rising up as one man for the general onward movement, upholding the party's call. The struggle to observe the 50th anniversary of the founding of the party with political zeal and brilliant labor results is a grand struggle to achieve prosperity and development of our country, our fatherland, and is a difficult and enormous struggle to enhance the country's economic might and the people's standard of living. Highly displaying the superiority of the socialism of our own style by effecting revolutionary upsurges in socialist construction under the great party's leadership is a noble duty of our party and people. To brilliantly carry out this heavy, and yet glorious duty, the entire party, all the people, and the entire Army should unite and again unite around the great leader [*yongdoja*] Comrade Kim Chong-il and, with their might, should further increase the speed of advance for socialist construction.

Even though our goal of the struggle is exceptionally high and is beyond our capacity, the victory is certain because we have the single-hearted unity among the leader [*suryong*], the party, and the masses. The single-heartedly united might of our people who uphold the great leader Comrade Kim Chong-il's ideas and leadership is infinite, and there is no bastion that cannot be conquered by us if we further display this might.

All the party members and working people should unite, unite, and again unite around the respected Comrade Kim Chong-il. This is a fundamental requirement to defend the socialism of our own style and to smash all sorts of challenges by the imperialists and reactionaries.

The imperialists are now continuously and viciously maneuvering to crush the socialism of our own style. The struggle against the imperialists is a serious class struggle in all the fields of politics, the economy, and the military. The weapon that can defeat the enemies is unity.

The single-hearted unity around the great leader Comrade Kim Chong-il is truly the banner of the struggle and the banner of invincibility. Only when we go ahead under this uplifted banner, can we staunchly defend and adhere to the socialist banner and give a deadly blow to the imperialists and reactionaries.

Today, heavy and enormous tasks rise before us. Now is the time we should achieve new victory of our revolution by uniting, uniting, and again uniting around the great leader Kim Chong-il.

All the functionaries, party members, and working people should deeply cherish in their minds the greatest pride and dignity of having great cohesion and unity that have been inherited for generations and staunchly fight

ahead by firmly uniting around the respected Comrade Kim Chong-il with one mind and one intention.

Because we uphold the great leader Comrade Kim Chong-il, a bright future lies ahead of our fatherland and nation. Bearing this in our minds, we should resolutely defend and safeguard Comrade Kim Chong-il, the center of the unity, politically and ideologically by sacrificing our lives.

The revolution is the unity, and the invincibility of the unity lies in its center. Apart from the center of the unity, we cannot talk about unity.

In order to firmly cement unity, we should resolutely defend and safeguard the leader [yongdoja], as the center. The purpose of unity lies in defending and safeguarding the leader [yongdoja] and the might of unity can be displayed in the struggle to defend and safeguard the leader [yongdoja].

Firstly, secondly, and thirdly, we should defend and safeguard the leader [yongdoja] of the revolution, the center of the unity. This is a fundamental principle of the revolutionary unity. The history of our unity has been a proud history of resolutely defending the leader [suryong] and of firmly uniting around the leader [suryong], the center of the unity.

Anti-Japanese revolutionary predecessors safeguarded the respected and beloved comrade commander by becoming human bombs in the thick forests of Mt. Paektu, and true revolutionary fighters defended and safeguarded the highest mind of the revolution under the slogan of loyalty "Let us defend to the last the party Central Committee headed by Comrade Kim Il-song!" even in the difficult post-war period. It is a valuable lesson taught by the Korean revolution and the long history of communist movement that when the leader [yongdoja] of the revolution, the center of the unity, is safeguarded, the unity can be protected and the revolution can triumphantly march ahead.

Under the condition in which the anti-revolutionary maneuvers by the imperialists are getting more vicious and the class struggle continues, we can never forget the history and the lessons of the past.

Safeguarding the center of the unity is an unique traditional temperament of the chuche-type revolutionaries and is the life and soul of the fighters and pupils of a true leader.

All the functionaries, party members, and working people should resolutely safeguard and defend the respected and beloved Supreme Commander Comrade Kim Chong-il, our destiny and future, as anti-Japanese revolutionary predecessors did for the great leader Com-

rade Kim Il-song. The entire officers and soldiers of the People's Army should become guns and bombs resolutely safeguarding the respected and beloved comrade supreme commander, and our youths should be firmly prepared as 5 million guns and bombs as they promised at the eighth conference of the League of Socialist Working Youths of Korea. The most valuable life and endless honor as the revolutionary fighters and pupils of the leader [suryong] lie in upholding the great leader [yongdoja] with moral obligation and conviction and becoming shields and barriers safeguarding and defending him.

We should act and think in accordance with the party's ideas and intention, and firmly arm ourselves with the great leader Comrade Kim Chong-il's idea and theory.

The single-hearted unity is, in essence, the ideological and volitional unity that shares the same intention and purpose.

Uniting and again uniting around the great leader Comrade Kim Chong-il is acting and breathing in conformity with Comrade Kim Chong-il's idea and theory. The great leader Comrade Kim Chong-il's idea and theory are the ones that have been developed and deepened from the revolutionary ideas of the great leader Comrade Kim Il-song, and is a revolutionary banner to complete to the end the chuche revolutionary cause in conformity with the leader's [suryong] intentions. Expounded in the great leader Comrade Kim Chong-il's idea and theory are all the ideological and practical questions arising in implementing the socialist cause and the Korean revolution; from the question of imbuing the entire society with the chuche idea to the question of strengthening the party and inheriting and completing the revolutionary cause.

We should persistently keep up the great Comrade Kim Chong-il's idea and theory as an eternal lifeline of our party and revolution. All the party members and working people should deeply grasp the greatness of our party's idea and theory, walk in accordance with the party's idea and intention, and breathe in the way the party breathes.

We should deeply study the party's documents, such as the classic work "Socialism Is a Science" announced by the respected Comrade Kim Chong-il, thus making the entire party and all the society overflowing with our party's revolutionary ideas.

The great Comrade Kim Chong-il's idea and theory are a guideline for our life and struggle, and are a great textbook for our works and living. We should make it a rule to act and think in accordance with the party's idea and theory whatever we may do and wherever we are.

Especially, we should strive to prevent any sundry ideas that eat away the single-hearted unity from penetrating into our society, and should thoroughly smash ideological and cultural infiltration of the imperialists with revolutionary ideological offensives. Thereby, we should firmly consolidate our revolutionary ranks as a pure ideological and volitional unified body that is firmly dominated by one idea.

In the practical struggle for socialist construction, we should further consolidate the might of the single-hearted unity.

Amid the revolutionary practice, the unity can be developed and consolidated, and its invincibility can be fully displayed.

Today, our party has unfolded a grand blueprint on further enriching our country, our fatherland, and is wisely leading the general onward movement in the forefront. In the present stage, the might of our single-hearted unity should be displayed in the struggle to carry the party's intentions and plans into practice.

We should burn our hearts with a loyal mind to realize by all means the tasks set forth in the slogans of the party Central Committee on the occasion of the 50th anniversary of the founding of the party, and everyone of us should become the creators of feats and the standard-bearers of the struggle in today's general onward march. When all the party members and working people uphold the slogans of the party Central Committee with their hearts and effect new revolutionary upsurges in all fronts of socialist construction, the might of our single-hearted unity can further be vigorously demonstrated.

In the present stage, the most important question in socialist construction is thoroughly carrying through the party's revolutionary economic strategy. All party members and working people should all rise to effect new upsurges in realizing the party's agriculture-first, light industry-first, and trade-first policies with unusual determination and resolve. In addition, they should unconditionally and responsibly carry out the revolutionary tasks entrusted in all units and all fields, including the coal industry, the electricity industry, the railway industry, and the metal industry. With the spirit and soul displayed by anti-Japanese revolutionary predecessors in the thick forest of Mt. Paektu and, with the grit and vigor demonstrated by the working class in Kangson and 10 party members in Nakwon, we should brilliantly realize the party's revolutionary economic strategy, thus displaying the majestic air of the unity between our party and people with which nothing would be impossible.

In order to further strengthen our single-hearted unity around the great leader [yongdoja] Comrade Kim

Chong-il, party organizations and functionaries should fully realize our party's politics of benevolence and all-embracing politics.

The guarantee for all of our victories lies in the cohesion and unity between the party and the people, and the perfect harmonious whole between the party and the people. The cohesion and unity among the leader [suryong], the party, and the masses can further be consolidated only when our party's politics of benevolence is thoroughly materialized.

Our people know how to uphold their leader [suryong] and their leader [yongdoja], are eligible to think about their fatherland and the destiny of the revolution, and are the brilliant people who can pay back the benevolence of the party and the leader. There is no greater honor and glory than faithfully serving for those brilliant people.

Party organizations and functionaries should uphold the slogan "We serve for the people!" and should fully realize our party's politics of benevolence and all-embracing politics. Party organizations should mingle with the masses and vigorously carry out the political work. They should also lead the masses to glorify their political life and warmly look after their life every nook and corner. Party organizations should work to strengthen ideological indoctrination work in conformity with the demand of the developing realities and to make the leader's [suryong] warm benevolence reach every household and every individual. Thereby, they should strengthen the blood ties between the party and the people, and further consolidate our revolutionary ranks as a perfect harmonious whole and a community bound together by common fate which shares one idea and one intention.

Cadres are our party's core unit and pivotal force. How the party's politics of benevolence is fully realized and how the blood ties between the party and the people is cemented totally depend on functionaries.

Our functionaries should become the Kim Chaek-type loyal servants who absolutely trusted their leader [yongdoja] and who devoted their everything to safeguard and adhere to the single-hearted unity around the leader. The functionaries should not forget for a moment the promise made before the fatherly leader and loyally uphold the great leader Comrade Kim Chong-il whatever they do and wherever they are. They should become standard-bearers as well as fighters in safeguarding and defending the leader [yongdoja]. In addition, the functionaries should share the life and death with the masses in conformity with the demand of the Chongsan-ri spirit and the Chongsan-ri method, thus leading the masses with their practical example.

Defending the socialism of our own style and completing to the end the Korean revolution by uniting, uniting, and again uniting around the great leader Comrade Kim Chong-il is our people's invariable aspiration and adamant faith.

Because the entire party and all the people uphold the great leader [yongdoja] with faith and filial duty and resolutely defend him, the future for our revolution is bright and the cohesion and unity among the leader [suryong], the party, and the masses are invincible.

By further displaying the might of our single-hearted unity around the respected and beloved Comrade Kim Chong-il and effecting new revolutionary upsurges in socialist construction, let us brilliantly adorn the 50th anniversary of the founding of the party as the victors' grand festival!

Text of Kim Chong-il's Work on Ideology

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["Full text" of work by Kim Chong-il, member of the Presidium of the Workers Party of Korea Central Committee Political Bureau and secretary of the party Central Committee, chairman of the DPRK National Defense Committee, and supreme commander of the Korean People's Army, released on 19 June: "Giving Priority to Ideological Work Is an Essential Requisite for Accomplishing the Socialist Cause" — read by announcer]

[FBIS Translated Text] The socialist movement of the world is gradually embarking on the road of revival after learning a lesson from yesterday's bitter history, even though it is still undergoing twists and turns because socialism has been frustrated in some countries.

Seeing the harsh situation in countries where socialism collapsed, people of broader strata of the world have realized that the popular masses' destiny can be cultivated only on the socialist road and yearn and aspire for socialism. This shows that socialism is living in the hearts of the people and that the people are awakened ideologically.

The most serious lesson of the frustration of socialism in some countries is that the degeneration of socialism begins in ideology and that disintegration of the ideological front leads to disintegration of all fronts of socialism and results in a total collapse of socialism.

The ideological work must be strengthened to defend socialism and lead it to a victory. Only when the popular masses are strongly armed with the socialist idea and when the ideological foothold of socialism is

strengthened, can socialism be consolidated and reliably defended in any stormy wind. This is clearly proven by the practical experiences from our revolution.

When you keep hold on ideology, you will win. Otherwise, you will fail. This is the truth that has been proven by history.

The popular masses must be awakened ideologically so that they can turn out in the struggle for socialism. This is what the socialist movement urgently needs at present for its development.

When the popular masses fighting for independence are armed with the socialist idea and have a firm belief in socialism, socialism will open a new victorious road without fail.

1. Giving priority to ideological work is an essential requisite for accomplishing the socialist cause

To successfully accomplish the socialist cause, we must consider ideology to be basic and give priority to ideological work over any other work. To a working-class party that struggles for the popular masses' cause of independence, nothing is more important than ideological work. A working-class party is a leading political organization that awakens the popular masses and organizes and mobilizes them in revolution and construction by using ideology as a weapon. Ideology is the one and only weapon of a working-class party and the most powerful weapon.

Only when a working-class party considers ideology to be basic and gives priority to ideological work over any other work, can it fulfill its duty as a leading political organization that accomplishes the popular masses' cause of independence.

Without ideological work, a socialist system cannot come into being, exist, and develop. A capitalist system is an exploitative system in which subjugation based on social standings was replaced by subjugation to capital and, therefore, is raised in the placenta of a feudal society, while a socialist system is a new system completely different from all exploitative systems and, therefore, cannot be raised in the placenta of a capitalist society.

The socialist idea comes into being in response to the class-oriented demand of the exploited working people who are struggling against the rule of capital, and a socialist system comes into being by the struggle by the popular masses who are awakened to the socialist idea.

The consolidation and development of a socialist system is achieved under the leadership of the socialist idea.

A socialist society is a society that is guided by the socialist idea and that develops by using the socialist idea as the basic driving force. The essential feature of a socialist society is that unlike a capitalist society where money is everything, it is a society that develops on the strength of ideology by the conscious activities of the people armed with the socialist idea.

How to carry out ideological work and prepare people ideologically determines the consolidation and development of socialism and its destiny.

In a socialist society, we must give priority to ideological work and continuously intensify it to ensure society's political and ideological consistency, to strengthen socialist unity and cohesion based on unity and cooperation of comradeship, and to carry out socialist economic construction successfully.

We must firmly solidify the socialist ideological position so that socialism can have invincible might in all fields—political, economic, cultural, and military.

If we neglect ideological work in socialist construction, we will lose the basics of socialism, and this will inevitably lead socialism to be tarnished and collapse.

The working-class party's ideological work struggling for socialism is the ideological and theoretical work which deepens and develops socialist ideology in conformity with the demands of the times and the development of the revolution. At the same time, it is the ideological indoctrination work which arms the popular masses with socialist ideology.

The socialist ideology and theory is formed based on the generalization of the demands of the times and the experience of the practice of the revolution in the course of the development of the revolutionary struggle of the working class, and it is the ideological and theoretical weapon and the struggle guideline for the popular masses who struggle for socialism.

The environment and condition in which the revolutionary struggle is carried on are not fixed or invariable; history advances and reality continuously changes and develops. The change of the times and the developing reality raise numerous new problems which cannot be solved by the existing theory for socialism. The working-class party should give keen heed to the ideological and theoretical work to develop socialist ideology in conformity with the changing times and the advance of the revolution and construction.

If the working-class party fails to carry out ideological and theoretical work correctly, thereby bringing about revisionist discoloration of socialist ideology or dog-

matic inertia, socialism will lose correct guiding policy; it will be subjected to vicissitudes and failure.

In some countries where socialism was being built until some time ago, socialist ideology was distorted and tarnished by the betrayers of the revolution who held the leading position in the party and the state, therefore, socialism lost its direction and deviated from its track, thus following the way to the restoration of capitalism.

The vicissitudes in socialist revolution and socialist construction and the frustration of socialism in some countries resulted after all from the lack and tarnish of scientific and revolutionary ideology and theory. The working-class party should not only provide correct guiding ideology and guiding theory for the fulfillment of the socialist cause but conduct effective indoctrination work to arm the popular masses with them.

Arming the popular masses firmly with socialist ideology is a decisive guarantee for strengthening the main force of socialist society and enhancing its role so as to accelerate the revolution and construction vigorously. We must carry out socialist ideological indoctrination work well so that we can ideologically awaken the popular masses, firmly unite them organizationally, and make the popular masses fulfill their responsibility and role as the main force of socialism and the master of the state and society.

When the popular masses struggle with high ideological consciousness and in firm unity, they can exert boundless strength and wisdom, and can bring forth a great upturn in remaking nature and society. The unequalled superiority and invincible might of socialism is explained by the fact that socialism makes the popular masses—the main force of history—exert their inexhaustible strength and wisdom. This is the very superiority and might of socialist ideology.

The superiority and might of socialist ideology is ensured by ideological work. The parties of some countries where socialism was being built until some time ago did not give proper attention to the ideological work of indoctrinating the popular masses, viewing the old theory on socialism dogmatically, but simply concentrated on economic construction. In so doing, they not only led economic construction to inertia but brought about the collapse of a socialist system and the restoration of capitalism after all.

The opportunists and the traitors to socialism abandoned ideological work in a socialist society and introduced the capitalist way of influencing people with money, thus encouraging individualism and selfishness in people and spreading the mammonistic bourgeois idea. At the same

time, they acted in sympathy with the reactionary bourgeois propaganda of raving about the efficiency and superiority of capitalist market economy, and totally destroyed the socialist economic system based on socialist ownership, advocating diversified ownership.

Needless to say, the maneuvers of the opportunists and the traitors to socialism are the antisocialist and antirevolutionary maneuvers that distort socialism currying favor with the imperialists, paralyze its superiority, and open a way to the collapse of socialism and the restoration of capitalism.

The process of the collapse of socialism in some countries gives a serious lesson that if ideology is neglected and ideological work is abandoned in a socialist society, the people go astray ideologically and everything of socialist nature degenerates and is destroyed, and that if the socialist ideological foothold is undermined, it is impossible to defend socialism, no matter how strong its economic power or military capability may be. At the same time, this proves how high the role of ideology is and how important ideological work is in fulfilling the socialist cause.

The main stress should be put on ideology and ideological work should be kept ahead of other work for the socialist cause. This demand is based on the *chuche* point of view on the role of ideology in the activities of the people.

For the first time in history, the *chuche* idea has elucidated that man is an independent, creative, and social being who remolds the world and pioneers his destiny with his own might, and that the independent and ideological consciousness plays a decisive role in pioneering man's destiny.

Various elements work in the people's activities. Among these elements, the one that has the decisive significance becomes very meaningful in developing society and in pioneering man's destiny.

Over the past years, we usually tried to find out the factor, which decisively affects the people's activity, from without the people. The religious and idealist view have been defined as if the people's activity is restricted or their destiny is determined by a mysterious supernatural being. Science has already proven the unreality of the religious and idealist view.

The materialistic view has sought the decisive factor that affects the people's activity from objective material conditions. Not only because the people are the product of the development of the material world, but because they live and act in the material world, they cannot but to be affected by objective material conditions in their activities.

However, objective conditions will not directly cause the people's activities. It can affect the people's activities only through consciousness. As social beings who conduct independent and creative activities with consciousness, the people will not only be affected by objective conditions, but also actively change and use them.

The ideological consciousness plays a decisive role in the people's activities. Because the ideological consciousness reflects the people's demands and interests, it restricts all of the people's activities, as well as it becomes the driving forces in leading the people to the struggle to remold the world.

Of course, knowledge that reflects the inevitability of the objective world plays an important role in the people's activities. Only when the people have the scientific knowledge can they successfully remold the world by reasonably utilizing their own might and objective conditions in conformity with the objective laws.

The scientific and technological knowledge plays a great role in developing the social productivity with each passing day. However, the ideological consciousness directs the goal and direction of the people's activities and controls the course of their activities. The use of knowledge by the people and the enhancement of their creative ability depend upon the kinds of the ideological consciousness.

Only the people who hold the ideological consciousness to serve the popular masses can contribute their knowledge, technology, wisdom, and talent to the work for the popular masses. The ideological consciousness that reflected the intrinsic demands of the people as masters of the world and as remakers of the world is the independent ideological consciousness.

The independent ideological consciousness is the people's awareness as masters of their destiny, as well as their will to pioneer their destiny by themselves. The people can actively remold the world only if they have the independent ideological consciousness. They can also outstandingly pioneer their destinies.

The socialist ideology is the loftier ideology in developing the independent ideological consciousness. The socialist ideology is the ideology that reflected the people's independent demands and collectivist demands. This becomes the most powerful ideological weapon in remolding nature and society, as well as in pioneering the people's destiny. Also, this becomes an ideological basis of unity and cohesion that firmly unites the society into one.

Ideological work to arm the popular masses with the socialist idea constitutes a main link in displaying the

advantage of socialism, increasing its might, and speeding up the revolution and construction. The economic and material foundation of the socialist idea is related to the socialist economy.

Socialist economic relations based on socialist ownership provide material conditions for the popular masses to learn by experience and consolidate the socialist idea. Therefore, the consolidation and development of socialist economic relations are important in arming the popular masses with the socialist idea.

When a socialist system is established, the social and economic ground of outdated ideas will disappear. However, an ideological, technological, and cultural lag and various related remnants turned over from the old society remain for a certain historical period. This may serve as a hothouse in which nonsocialist factors can grow.

In order to firmly arm all members of the socialist society with the socialist idea, it is necessary to adhere to the socialist ownership and constantly consolidate and develop socialist economic relations, as well as gradually overcome the remnants of the old society which linger in social and economic relations and in various social fields.

If the remains of the old society are encouraged in the socialist society, or a capitalist management system is introduced in the socialist economic management, or what is worse, the socialist ownership is infringed upon to rehabilitate the capitalist ownership, conditions for destroying the economic and material ground of the socialist idea and for egging on individualism, egoism, and the bourgeois idea.

It is inevitable that the private ownership effects individualism and that the bourgeois idea grows and circulates based on the capitalist ownership and a capitalist market economy. Socialism cannot go with private ownership and a capitalist market economy. People do not automatically come to have the socialist idea simply because a socialist system is established and a solid economic and material basis of socialism is prepared.

The work of arming people with the socialist idea is a struggle between the new and the old in the ideological field, as well as an ideological-remolding task to remove old ideas from people's minds and arm them with the new socialist idea.

All sorts of old and reactionary ideas, including the bourgeois idea, are based on individualism. All exploiting societies are based on individualism, and people have been imbued with individualism for thousands of years. Individualism is a very stubborn and conserva-

tive idea rooted deep in people's consciousness, customs, and life. Old ideas, including individualism, are not easily removed out of the socialist society, either. They may rather be rehabilitated and dispersed wide with even a small crack of the society and under the minimum condition.

The socialist idea is a new idea that is fundamentally different from all sorts of old ideas based on individualism. The work of removing old ideas from people's minds and arming them with the new socialist idea is an ideological revolution for fundamental changes in people's ideological life, and it can be realized only through patient and active ideological indoctrination and ideological struggle.

It is impossible to eradicate old ideas from people's minds without the struggle against old ideas inside the socialist society and the bourgeois idea and other reactionary ideas infiltrated from outside. It is also impossible to remold people's idea without vigorously carrying out indoctrination work to arm people with the socialist idea.

Betrayers of socialism disturbed the work of arming people with the socialist idea, created an ideological disorder among the people under the slogan calling for openness and pluralism, and completely opened the door for the penetration of the reactionary bourgeois idea and culture. Insisting on openness and pluralism in the society is an antirevolutionary maneuver aimed at overthrowing the socialist society, beginning from the inside, by destroying the socialist idea and introducing the reactionary bourgeois idea.

In the past, many parties mechanically accepted the materialistic conception of history that material and economic conditions of a society mold social consciousness and that the change of material and economic conditions change social consciousness and believed that, when people's material and cultural living standards are elevated with the establishment of a socialist system and the acceleration of socialist construction, people's ideological consciousness will change accordingly. Thereby, they did not pay keen attention to ideological work.

It is a wrong opinion going against the socialist idea and against the nature and characteristic of the procedures of socialist ideological remolding that when material and economic conditions of a society are reformed in a socialist way, people's ideological consciousness will also be remolded in a socialist way.

In nature, people's consciousness reflects the objective reality, but how one accepts it depends on the person and each person's preparedness.

Man sees, hears, feels, and admits within the scope of his knowledge. The ideological consciousness of a man and how his ideological consciousness is changed and developed depends on the degree of his own preparedness, on his activities, and on his ideological influences.

Even men from the propertied classes can become revolutionaries only if they are awakened ideologically and affected by the revolution. Not all the people with a working-class background have a revolutionary ideology.

Because the outdated and old ideology still remains in men's heads and the danger of the influence of the reactionary ideology infiltrating from the outside constantly continues to exist in the socialist society, it is clear that the work of indoctrinating and remolding all members of society in a new socialist ideology cannot be spontaneously and smoothly carried out even though the socialist system has been established and the material and economic conditions have been provided.

Even though the people in the socialist society are provided with all conditions and benefits to lead an independent and creative life, if ideological work fails to be properly carried out among them, they may not feel the preciousness of and appreciation toward the socialist system, but regard these benefits as due ones.

Also, if ideological work is not carried out properly, people's revolutionary zeal can gradually lessen, and the tendency of attempting to lead an easy life can emerge among them. In such a case, people cannot devotedly struggle for socialism, and they can go so far as to betray socialism, being caught up in the delusions of capitalism after falling for the false propaganda of the imperialists and reactionaries. This has been proven by the process of the collapse of socialism in some countries that had opened their doors to the imperialists' ideological and cultural infiltration after neglecting ideological work.

Ideological indoctrination and ideological struggle are the most mighty methods to indoctrinate and remold people in the socialist ideology.

Our experience shows that if we vigorously wage ideological work to arm people with the socialist ideology in the socialist society we can indoctrinate and remold people of all strata in a socialist way. The socialist cause is a historic cause that is carried out generation after generation. It is also the popular masses' cause for independence that is carried out amid the course of the fierce struggle against imperialism and all sorts of reactionaries.

As the socialist cause is advanced, we should constantly deepen and develop ideological work. As the maneuvers

of the enemies of socialism become unscrupulous, we should further strengthen ideological work. A key to advancing and victoriously consummating the socialist cause lies precisely in grasping ideology as a basis and giving priority to ideological work.

2. The basic duty of ideological work in the socialist society is to dye the whole society with the socialist ideology

The process of developing and consummating the socialist society is precisely the process of remolding all fields of social life in conformity with the demands of the socialist ideology, and what is important in this is to arm all members of the society with the socialist ideology and, thus, to dye the whole society one color ideologically. Ideological work in the socialist society should serve dying the whole society with the socialist ideology.

In any society, the ruling class tries to realize unitary rule by its ideology. In capitalist society in which the society is divided by class and in which there is conflict between people's interests, one ideology cannot rule the society in a unitary manner, so, inevitably, various different ideologies will exist.

The imperialists and their supporters have clamored that the existence of various different ideologies in capitalist society proves the existence of freedom of thought, advertising as if this phenomenon is the pride of the free world. However, the free development of progressive ideologies cannot be expected in capitalist society in which monopoly capitalists and reactionary ruling circles are controlling all means of propaganda and education, including publications, communications, and broadcasting stations.

The reactionary bourgeois ruling class allows progressive ideologies for a while in a bid to embellish the capitalist society as a democratic society. However, it brutally suppresses the progressive ideologies when they are found to be a threat to their ruling system. In capitalist society, various ideological trends seem to be allowed outwardly. However, various kinds of ideological trends that overflow there are nothing but various forms of bourgeois ideologies.

The freedom of thought that the imperialists clamor about is a deceptive slogan designed not only to embellish with the signboard of freedom their maneuvers of today, which stop at nothing to suppress progressive ideologies in the capitalist society, and to spread bourgeois reactionary ideologies, but also to justify their ideological and cultural infiltration into other countries.

Only in the socialist society where no exploitation and oppression exist and where a class confrontation has

been liquidated, all members of society can be armed with one ideology and they can be imbued with one ideology due to the commonness of their purposes, aspirations, and interests.

The socialist ideology is a scientific ideology which reflects the independent nature of the people and illuminates the road to achieve independence of the popular masses. And, it is natural for the popular masses to accept it as their own ideology.

When they are thoroughly armed with the socialist ideology, the popular masses can pioneer their fates independently and creatively and can consummate the socialist cause.

The imperialists and the betrayers of socialism are denouncing the ideological indoctrination work in socialist society for being a standardization work and infusing ideology. This is an absurd fabrication aimed at finding fault with socialism, and a sophistry aimed at justifying the false and reactionary nature of the bourgeoisie propaganda.

The socialist ideology fosters the popular masses as independent men with independent sense of ideology and with creative ability, whereas the bourgeoisie reactionary ideology reduces the popular masses to servants, who are faithful to the domination of capital, and to ideologically and spiritually crippled men.

In the capitalist society dominated by the bourgeoisie reactionary rule and by the exploitation and oppression of capital, the popular masses' sense of independence is suppressed; their aspirations and demands are mercilessly trampled underfoot; and the masses' creative wisdom and talents are being repressed and deformed.

With all kinds of falsehood and deceitfulness, the imperialists and reactionaries are paralyzing the popular masses' faculty of wholesome thinking; and are imbuing the masses with the bourgeoisie reactionary ideology and with corrupt bourgeoisie mode of living. This is an ideological suppression of blocking the development of the people's independent sense of ideology; and is a criminal scheme aimed at imposing the reactionary ideology on the people.

When they are firmly armed with the socialist ideology under the socialist system, the popular masses can realize their own independent demands and can develop their individuality, aspirations, wisdom, and talents extensively, while completely breaking away from the influence and fetters of all kinds of obsolete ideologies.

Because it is the most revolutionary ideology aimed at defending and realizing independence of the popular masses, the socialist ideology serves as the genuine

weapon of ideological liberation and human liberation which opens the road for the people to the unlimited ideological and spiritual development.

The socialist ideology is a summation of the human ideological development, a summation which encompasses and makes a comprehensive compilation of all kinds of progressive ideologies that meet the independent demands of the popular masses; and the socialist ideology is the most broad-ranging and the most advanced ideology which stands at the highest peak of such progressive ideologies.

The indoctrination work to arm the popular masses with the socialist ideology is a work to realize the independent demands and aspirations of the popular masses who are trying to be liberated from the fetters of all kinds of obsolete ideologies and to enjoy a wholesome and sufficient ideological and cultural life.

The working-class party's indoctrination of the people with the socialist ideology is for the sake of the people; and it is a great love and care shown for the people by the party.

The ideological and cultural life, which our people are enjoying under the socialist system centered on the popular masses, and the noble ideological and spiritual traits of the people are clearly displaying the superiority and might of our socialist system and socialist ideology, and of the ideological indoctrination work being carried out by our party.

In our country, even under difficult and complicated circumstances, all the people are in single-hearted unity around the party and the leader; the entire society constitutes a grand harmonious household; and the people are working and living full of conviction and optimism, while helping and guiding each other, regarding each other as their own flesh and blood.

All people are learning, enjoying a variety of cultural and esthetic life, and bringing their wisdom and talents into bloom, to their hearts' content, according to their individual aspirations and demands. This is a genuine feature of our society which is becoming imbued with one ideology, the socialist ideology, while the ideological work is being intensified under the party leadership.

We should thoroughly smash the reactionary ideological offensives by the imperialists and betrayers of socialism and further intensify the socialist ideological indoctrination work, thereby helping the people keep the scientific, true, and invincible nature of socialism as their firm conviction.

The revolutionary idea and the socialist ideology that our people should possess is the *chuche* idea, and the basis of our party's ideological work is the indoctrination of the *chuche* idea.

The great leader Comrade Kim Il-song created the *chuche* idea, thereby elucidating the principle of history of the society centered on the people and placing the socialist ideology on a new scientific foundation.

The *chuche* idea has newly developed and consummated the socialist ideology and theory by correctly reflecting the demands of the new era of history, the era of independence, in which the popular masses have emerged as the masters of their own fates, while having overcome the historical limits of the preceding socialist theories and all kinds of opportunistic distortions of socialism.

Only when the *chuche* idea is considered to be a guiding principle and implemented thoroughly, can the popular masses' cause of independence, the socialist cause, be carried out successfully and completed.

Our party and people could excellently build popular masses-centered our-own-style socialism under so difficult circumstances and can maintain our socialism and advance it victoriously despite the radically changing international situation and the stern environment. This is because they considered the *chuche* idea to be a guiding principle and have implemented them thoroughly.

Reality has proven that the *chuche* idea is the most scientific socialist idea that complies with the demand of the present era. We must uphold the banner of the *chuche* idea and thoroughly implement the *chuche* idea in all fields of revolution and construction.

We must strengthen education in the *chuche* idea among the party members and workers to ensure that they have a strong *chuche*-oriented revolutionary world view and live and work as required by the *chuche* idea.

Collectivism is the foundation of a socialist society, and the socialist idea is, in essence, collectivism. The independent demand of man, a social being, can be excellently realized only through collectivism, and a socialist society is a society where collectivism is implemented.

A struggle between socialism and capitalism is immediately a struggle between collectivism and individualism, and the superiority of socialism over capitalism is the superiority of collectivism over individualism.

A victory or defeat of socialism can be said to depend on how collectivism is implemented. Strongly arming all members of our society with collectivism and thoroughly implementing the principle of collectivism in social relations, management of the society, and all

other fields of social lives is a fundamental guarantee to develop and complete socialism.

Man can possess a noble ideological and spiritual trait suitable to the nature of a social being and the demand of a socialist society and become a genuine fighter for socialism only when he has the collective view on life that he considers collective interests to be more valuable than his personal interests, devotes himself to his grouping, and considers the grouping's trust and love to be rewarding and happy.

Putting less emphasis on education in the principle of collectivism and jettisoning the principle of collectivism in a socialist society immediately means abandoning socialism and reviving capitalism based on individualism.

Our party has persistently carried out education in collectivism among the party members and workers and thoroughly implemented collectivism in all fields of socialist construction. Today, our people are highly displaying the noble collective spirit of devotedly struggling for the party, the leader [suryong], the fatherland, the nation, the society, and the grouping.

We must continuously strengthen education in collectivism and ensure that the spirit of "one for all, and all for one" comes into fuller bloom in the entire society.

Loyalty to the party is the supreme expression of collectivism and is the most basic trait the communist revolutionaries should have. A working-class party is the protector of the people's political lives and a political guide that leads the popular masses' cause of independence to a victory. The popular masses can have a valuable political life and enjoy genuine lives and happiness as social beings only under the party's leadership. The people should regard it as their revolutionary faith and obligation to remain loyal to the party which gives them political integrity and looks after their destiny.

The party's love and favors for the people breeds loyalty among the people. It is not always true that all people automatically feel the party's love and favors keenly and have a high consciousness to repay them with loyalty.

If education in loyalty is not carried out substantially, ungrateful people may emerge even among people who have been raised while enjoying the party's favors. A working-class party must well carry out education in loyalty to the party, as well as practicing correct politics for the people.

Our party founded by the great leader Comrade Kim Il-song is a tested and mature party that brilliantly inherits and develops the *chuche* revolutionary cause

and a genuine maternal party that defends all members of society and warmly takes care of their lives.

We must persistently educate the party members and workers to ensure that they boundlessly trust and resolutely defend our party, entrust their destiny to the party, and uphold the party's leadership with loyalty.

One's loyalty to the party can be determined by how one receives the party's line and policy and implement them. One who accepts the party's line and policy as the most just and implements them to the end by displaying the boundless spirit of devotion is truly a person loyal to the party.

Our party's line and policy are correct strategies and tactics for our revolution that embody the *chuche* idea and reflect the popular masses' demands and interests, and are the guidelines of the people's struggle and living. Our party always mingles with the popular masses, sets up policies in conformity with the popular masses' demands and interests, and has implemented its policies with the strength and wisdom of the popular masses.

All policies of our party win absolute support from the masses because they correctly reflect the popular masses' intent, and the masses are actively struggling to implement them. It is a way to defend and add luster to our socialism and a way to enable all the people to enjoy worthwhile and happy lives that our party members and working people arm themselves with the party policy and thoroughly implement it.

By intensifying indoctrination in the party policy, we should make all party members and working people correctly aware of the nature and justness of the party policy, deem it an unshakable faith, and implement it absolutely, unconditionally, and completely.

In order to consummate the socialist cause, it is necessary to arm all members of society with the revolutionary tradition and succeed and develop the revolutionary tradition as purely as it is. The revolutionary tradition is the historic root of socialism and an ideological and spiritual asset that sustains the lifeline of the revolution.

The course of defending, succeeding, and developing the revolutionary achievements, which the preceding generations of the revolution prepared through a bloody struggle under the idea and leadership of the leader [suryong] who pioneered the road of socialism, is the very course of completing the socialist cause.

One's attitude and position on the revolutionary tradition is a touchstone that tells whether one is loyal or treacherous to the popular masses' independence cause, the socialist cause, and whether one is revolutionary or

antirevolutionary. Genuine revolutionaries and communists protect, defend, succeed, and develop the revolutionary tradition, but opportunists and betrayers of the revolution viciously maneuver to destroy the revolutionary tradition.

Modern revisionists and betrayers of socialism spoke ill of the leader's [suryong] leadership position and authority and destroyed the achievements prepared by the preceding generations of the revolution, so that they degenerated and collapsed socialism and seriously blurred the image of socialism.

It is the most cowardly and loathsome treacherous act and an antirevolutionary maneuver to eliminate the rudimentary roots of socialism, to disgrace one's leader who pioneered the revolutionary road, as well as one's revolutionary seniors, and to destroy the historic socialist achievements.

Experience in history shows that if the revolutionary tradition is denied and destroyed, the lifeline of the revolution is cut off and the revolutionary gains, which were obtained at the cost of blood, are rubbed out. The revolutionary tradition our party and people should succeed is a *chuche*-based revolutionary tradition that the great leader Comrade Kim Il-song prepared in the course of pioneering and victoriously leading the unprecedentedly arduous Korean revolution.

An everlasting cornerstone of our revolution is our party's revolutionary tradition which is represented by the *chuche*-based ideological system, the communist and revolutionary spirit, valuable revolutionary achievements, profound and rich experience in struggle, the revolutionary work method, and the people-oriented work style.

Our party has always paid keen attention to resolutely protecting the honorable revolutionary tradition prepared by the respected and beloved leader Comrade Kim Il-song and defending its purity, as well as indoctrinating all party members and working people in the revolutionary tradition. Today, the revolutionary tradition is brilliantly embodied in socialist construction and in all walks of social life in our country.

By intensifying indoctrination in the revolutionary tradition, we should arm all party members and working people with our party's revolutionary tradition and should make them succeed and develop it to consummate the *chuche* socialist cause to the last.

The working-class party's class consciousness is the core of the socialist idea and is an independent ideological consciousness reflecting the popular masses' independence cause and their primary interests. The working class has higher revolutionary spirit, greater ability of

cohesion, and greater independent spirit than any other social class. It is none other than the working class that represents the popular masses' aspiration and demand for independent life and development and takes the initiative in realizing the popular masses' aspirations.

The socialist society is a society that has embodied the class demand of the working class. In a struggle for socialism, one should always firmly adhere to the working class-oriented viewpoint and position. The secession from the working-class viewpoint and position would result in the degeneration of socialism.

Socialist degeneration is a class degeneration. Socialist betrayers put forth deceitful slogans such as a new way of thinking and whole human value, and thus paralyzed the people's class consciousness and degenerated socialism based on class. A new way of thinking and whole human value apart from the working class point of view and position is nothing but a bourgeois way of thinking and bourgeois sense of value.

The work to abide by the working class point of view and position and arming the people with the class consciousness of the working class is always an important problem in the whole course of carrying out the socialist cause. Of course, the concrete content of class education can, to some degree, become different according to how the revolution and construction progress. However, class education cannot be neglected even for a minute. Even after the socialist system is established, not to mention during the struggle period to establish socialist system, class education must be continuously strengthened.

Under the condition of continued insidious maneuvers by the imperialists who are trying to obliterate socialism and hostile elements who have conspired with them, if class education is neglected, the people can be dismantled ideologically before the enemies. Therefore, the work to arm the people with the class consciousness of the working class must by no means be weakened even after the socialist system is established.

From early on, our party elucidated that arming the people with the class consciousness of the working class is the basis in communist education, and has persistently carried out the class education work. We will further strengthen class education according to today's practical condition so that the party members and workers can be firmly armed with the class consciousness of the working class, always abide by the working class point of view and position, detest the exploiting system and imperialism, and tenaciously struggle against them.

In particular, deep interest must be turned into arming the new generations, who did not receive exploitation and oppression and experience the arduous trials of the

revolution, with the class consciousness of the working class.

Socialist ideology is a weapon of class liberation as well as a weapon of national liberation and a true patriotic ideology. A country and nation is a community bound together by common fate of the people formed historically, and the socialist cause is carried out with the country and nation as a unit.

Imperialists trample other countries' and other nations' sovereign rights and instigate antagonism and confrontation among the nations. The road to capitalism is the road to exploitation, oppression, national inequality, and subordination. This is shown well by the past history of the oppressed nations that were deprived of the nation's independence by the imperialists and were forced a life of colonial slavery, and the reality of the countries in which socialism collapsed and capitalism was restored by the socialist betrayers.

Socialism opposes all kinds of aggression and maneuvers of interference by the imperialists, and guarantees the country's and nation's true independence and prosperity.

Carrying out one's own country's revolution well is a national duty laid before the world's revolution by the working class of each country's party and people. If one's own country's revolution is to be carried out well, one must love its fatherland and nation and defend the independence of the country and nation. The popular masses' independence cannot be realized without realizing the independence of the country and nation.

One must have a spirit of patriotism so that the people can devotedly struggle for the socialist cause by having the attitude of a master regarding their country's revolution. People who love their fatherland and nation and are loyal to their country's revolution, respect another country's and another nation's sovereignty and resolutely struggle opposing the phenomena infringing upon it.

The revolution's national duty and international duty are united as one, and communists who are infinitely loyal to the independent cause of the popular masses are true patriots as well as true internationalists. To make the people remain loyal to socialism, we should strengthen education of socialism and patriotism among them.

In the past, our party put forth the socialist and patriotic education as an important task of ideological education work, and vigorously carried out this work among the party members and workers. Today, under the party's leadership, our people are overflowing with high national dignity and pride of living and carrying

out the revolution amid the socialist system centered on the popular masses; enthusiastically love the church-oriented socialist fatherland; and while smashing the antisocialist and anti-Republic maneuvers of the imperialists and reactionaries, they are reliably defending the gains of socialism.

By strengthening socialist and patriotic education, we should make the people devotedly struggle for prosperity and development of our socialist fatherland, keenly realizing a sense of duty as revolutionary people defending the stronghold of socialism.

For all social members, it is an important demand to hold a sacred moral virtue in consolidating and developing socialism.

Morality is the social code of conduct that can be attentively maintained by consciousness. Morality has a class-oriented character in a working-class society. In an exploiting-class society, the ruling class' morality dominates. This serves as morality to defend the exploiting class' advantage and to suppress and exploit the working popular masses.

The nature of moral corruption is an incurable disease in an exploiting-class society. This will become extreme in a capitalist society where everything is dominated by money. The socialist society in which the comradely unity and cooperation between the people becomes the basis of social relations demands the people fully establish the new morality that meets their intrinsic nature. The more socialist construction is advanced, the more the social function and role of morality is enhanced.

However, some countries that built socialism over the past years have failed to pay attention to establishing the new morality that complies with the intrinsic demand of a socialist society. A tendency has emerged that emphasize morality as if this were weakening the revolutionary nature.

Morality will not be contradictory to the revolutionary nature, but will further consolidate the revolutionary nature. When socialism establishes a morality that complies with its own intrinsic nature and is built on its basis, then the popular masses' political and ideological unity and cohesion are further strengthened. As a result, the sound and revolutionary ethos of life can be built throughout society. Also, socialist construction can be vigorously carried out.

Socialist morality is a collectivist morality based on sacred comradely love and revolutionary obligation. Socialist morality is the most superior morality that has inherited the superior and moral virtue that has been historically handed down among the working popular

masses and that has newly developed in conformity with the intrinsic demands of a socialist society.

The criterion of the progressiveness of morality is the independent demands and profit of the popular masses. The popular masses' independent demands and profit can be the political criterion for determining progressiveness and reactionism. It can also become a moral criterion for determining good and bad.

The act that complies with the independent demands and profit of the popular masses is a noble and moral act; the act that runs counter to it is an immoral act. The socialist view of collectivism is to regard it as a matchlessly rewarding and happy life for society and the collective body, cooperating and leading each other based on revolutionary comradeship and obligation, rather than living for pursuing one's own happiness regardless of the of situations others.

Today, socialist morality is cherished by the hearts of the people and is becoming a part of their lives. Furthermore, the noble communist trait is highly displayed everywhere.

Our people regard the popular mass-centered socialism of our country—which glorifies the dignity and life of man—as valuable as their own life, and regard it as their noble and moral obligation to defend and glorify it. They regard it as their revolutionary obligation to pay a reward of loyalty for the trust and consideration by the party and the leader that gives them a sacred political life and love. The beautiful behavior of endlessly loving comrades and of willingly devoting everything for them has become a universal phase in our country today.

Our single-hearted unity is the most consolidated unity in which the leader, the party, and the masses are firmly united in an ideological will and moral obligation. Our socialism is an invincible socialism based on ideology and faith, on love and trust.

Experience shows we can firmly adhere to the socialist cause and victoriously advance it under any difficult trials only if we make it possible for socialism to root deep in the hearts of the people and their lives by establishing an ethos of keeping the socialist morality throughout society.

By continuously strengthening the socialist moral indoctrination, we should ensure all members of society can regard it as their sacred moral obligation to keep and glorify socialism, that they can make it become part of their lives, and that they can make it the view of their life.

The work to arm the people with the socialist idea can be carried out in a struggle against the various antisocialist

ideological elements. The course to arm the people with the socialist idea and root out outdated ideologies from their heads is a serious ideological struggle to finally terminate capitalism from the sphere of the people's ideological consciousness. The object of the ideological struggle is not the people themselves, but instead the ideological leftovers in the heads of the people and the reactionary ideology penetrating from outside.

We should strengthen ideological education and the ideological struggle among party members and workers, and should thoroughly overcome outdated ideological remnants, including individualism and egoism.

In particular, we should strengthen the struggle against the abuse of authority [sedo], against bureaucratism, and against irregularities and corruption among cadres.

The abuse of power, bureaucratism, and irregularities and corruption are the product of an exploitation society. They take root in individualism and egoism.

In a socialist society, the abuse of authority, bureaucratism, and irregularities and corruption cannot be tolerated. Cadres in a socialist society are not bureaucrats who reign over the people, but rather servants of the people.

If the abuse of authority, bureaucratism, and irregularities and corruption are fostered among cadres, cracks will form in the unity and cohesion of the party and popular masses, and as a result socialism will not be able to display its vitality.

The collapse of socialism in some countries is related to the fostering of the abuse of authority, bureaucratism, and irregularities and corruption among cadres. In order to defend and advance socialism, even slight degrees of the abuse of authority, bureaucratism, and irregularities and corruption should not be overlooked, and an uncompromising struggle should be waged to thoroughly overcome such tendencies.

Bourgeois ideas and a bourgeois lifestyle are ideological poisons that mentally disable mankind. Through their ideological and cultural infiltration into other countries, the imperialists are constantly attempting to make the people ideologically ill and to destroy these countries from within, thus maneuvering to put them under their domination and control.

The imperialists' ideological and cultural infiltration is a means of aggression and interference perpetrated under the pretext of cooperation and exchange. This is a reactionary bourgeois ideological poisonous element and a vicious destructive means that paralyzes sound ideas and the consciousness of the people, making the people corrupt and degrading them.

In order to defend and protect socialism and ensure the nation's independent development, we should struggle against the imperialists' ideological and cultural infiltration.

Today, the imperialists and reactionaries persistently maneuver to infuse the wind of bourgeois liberalization into our internal parts.

We should make efforts to prevent the infiltration from outside of various reactionary ideas and the bourgeois lifestyle, including bourgeois ideas.

Revisionism is an antirevolutionary opportunist ideological tendency that rejects the revolutionary principle of socialism. The most harmful nature of revisionism is that it refuses the position and role of the party and leader [suryong] in revolution and construction; weakens the functions of a socialist government; creates illusions about capitalism; and ideologically disarms the people.

Revisionism is a way toward capitalism after finally giving up socialism. Correctly realizing the reactionary nature and danger of revisionism, we should thoroughly oppose and reject various revisionist tendencies.

The important guarantee for carrying into accomplishment the socialist cause by crushing the antisocialist maneuvers of the class enemies is to firmly arm the people with socialist ideas.

In the future as in the past, we should vigorously carry out the ideological education to arm party members and workers with the socialist idea.

3. Ideological work in a socialist society should be conducted in compliance with the principle and methods that correspond to the essential demands of socialism.

Whether ideological work will be successful after its mission and contents are precisely defined depends on what principle and method the ideological work proceeds under.

When ideological work is carried out according to the principles and methods that correspond to the essential demands of socialism, only then can we successfully implement the work of educating and reforming all members of society with socialist ideas.

Ideological work in socialist society should be vigorously carried out under the leadership of the working-class party as the work of the entire party, the entire nation, and all of society.

Our ideological work is the work of firmly consolidating the socialist ideological encampment in all fields of revolution and construction by thoroughly arming the

popular masses with socialist ideology. It is the work of highly displaying the revolutionary zeal and creative positiveness of the masses.

Therefore, all organizations and groups, including party and state organizations as well as workers' organizations, should carry out the work of arming the popular masses with the socialist ideology in accordance with their mission and duties. Functionaries of all domains and all units should vigorously carry out ideological work—political work—among the masses.

It is a most important principle in ideological work to firmly ensure the leadership of the working-class party over ideological work. The working-class party is the supreme political organization leading the revolution and construction. Without party leadership, ideological work cannot be carried out in a unified manner in compliance with the demand of accomplishing the socialist cause.

Only when party leadership over ideological work is thoroughly ensured, can we prevent any alien ideology from infiltrating the ideological domain and maintain revolutionary socialist nature in the ideological work. Thus, we can make one idea — socialist ideology — dominate all of society in a unitary way.

The working-class party should firmly adhere to ideological work. It should not retreat even a step back from leading this work. Compromise and concession in the ideological domain mean degeneration and defeat. The act of weakening and refusing the leadership of working-class party over the ideological work is a maneuver aimed at destroying the socialist ideological encampment and introducing and spreading bourgeois reactionary ideas.

The working-class party should thoroughly oppose and reject various maneuvers to refuse party leadership over ideological work and should grasp all ideological works and lead them in a unified manner.

The working-class party should directly organize and carry out the ideological work through party organizations at all levels. At the same time, it should grasp and lead ideological and cultural domains, including publication, the press, literature and art; state organizations; working people' organizations, and educational organizations, so that they satisfactorily carry out the work of educating the masses in accordance with their missions and duties.

Publications, the press, literature and art are mighty ideological weapons for educating, organizing and mobilizing the masses. In socialist society, all ideological and cultural means, including publication, the press, literature and art, should thoroughly serve for safeguarding

and advancing the socialist cause under party leadership in compliance with independent demand of the popular masses.

If ideological and cultural means are set free from leadership and control of working-class party in socialist society, they are to be used as an antirevolutionary tool. This is proven by the fact that betrayers of socialism and reactionaries in many countries that were engaged in socialist construction in the past grasped ideological and cultural means and used them for attacking socialism.

The working-class party should thoroughly grasp ideological and cultural means, including publication, the press, literature and art, and should constantly enhance their role so that all ideological and cultural means excellently fulfill their missions and duties on the socialist ideological front.

The socialist state is to lead and manage all domains in social life, including political, economic and cultural, in a unified manner. The function of the ideological and cultural educator is one of the basic functions of the socialist state. The socialist state should maintain the principle of socialism in leading and managing various domains of social life, including the management of the state and economy, and should highly display the superiority of socialism. Thus, the socialist state should satisfactorily ensure the material life of the people in conformity with the demand of socialism, and should make favorable conditions so that the people can fully enjoy a sound and abundant ideological and cultural life.

State organizations should properly formulate socialist laws and regulations; should establish socialist management system in all domains in an orderly manner, and should lead and control the people so that they voluntarily abide by laws, regulations and management system.

That the socialist state leads and manages all domains of social life according to the principle of socialism and in compliance with the demand of socialism is of great significance for making the people learn from socialist ideology through practice and familiarize themselves with socialist life. This also works as an important guarantee for preventing outdated ideas from reappearing in socialist society and from infiltrating from the outside world.

The socialist state should actively develop economic and cultural exchanges and cooperation with many world nations on the principle of equality and mutual benefit, and at the same time, direct due attention to preventing the infiltration of reactionary bourgeois ideas and the corrupt bourgeois culture and way of life.

If state organs engage themselves in economic and cultural exchange and cooperation at random with foreign

countries, oblivious to socialist principles, it will fling the doors open for the infiltration of imperialist ideas and culture and cause serious consequences endangering socialism.

The socialist state must take administrative and legal measures to protect the socialist system and people from the ideological and cultural poisoning by imperialism.

In socialist society, working people's organizations are political ones embracing members of society according to their classes and strata and ones of ideological education which regard ideological education among their members as their basic duty.

In capitalist society which is filled with exploitation and oppression and in which interests of various classes and strata are confronted with each other, the mass organizations assume it as their basic duty to struggle to protect the interest of their own class and strata. However, in socialist society where confrontation between classes was liquidated, missions and duties of working people's organizations are basically different from that of capitalist society.

In socialist society, the people are the masters of the nation and society and the interests of people from all walks of life have been unified. Therefore, the interests of people from all walks of life fall within the interest of the state and all people, and happiness of each member of society is found within the common prosperity of society.

Therefore, in socialist society, the working people's organizations assume it as their main mission to educate and lead their members to discharge their responsibilities and role as masters of state and society.

If working people's organizations of socialist society, like in a capitalist society, lay the main emphasis on interests of any class or stratum affiliated with them, it will place the interests of the individual class or stratum opposite the interests of the party, the state and the people, and such organizations will turn into antistate, antisocialist ones.

Some countries that were building socialism in the past were defeated in the antirevolutionary confrontation because the party was not able to unite the broad masses around them. One of the important reasons for this is that the party did not effectively guide the working organizations.

The working-class party must correctly lead the working organizations so they can effectively conduct education work toward league members according to their duties and characteristics in order to firmly unite them around

the party and actively organize and mobilize them in socialist construction.

In particular, great attention must be turned so that youth organizations can smoothly fulfill their roles. The prospect of the revolution and the future of socialism are dependent on how the new generations are prepared.

In a socialist society, youth organizations are a political reserve of the working-class party. They are entrusted with the honorary duty of firmly preparing the new generations as reliable successors of the socialist cause. If youth organizations do not emphasize conducting their original duties, but lean toward such and such administrative and practical work, then new generations cannot be educated and fostered with socialist ideology.

If youth organizations weaken the ideological work, then the new generations will not work by sacrificing their lives for the party, the revolution, the fatherland, and the people, but will only pursue individual comfort and will be tainted by capitalist private ownership that infiltrates from outside.

The working-class party must strengthen guidance toward youth organizations so that youth organizations can vigorously conduct the ideological education work according to their original duty and the youth's characteristics, and must magnificently foster all youths as the successors of the revolution.

In a socialist society, education organs must greatly emphasize their ideological education work toward the people and their ideological education work toward the new generations. Since the new generations of a socialist society are all enrolled in a fixed educational system, the duties of education organs are very important in educating and fostering these new generations.

Socialist education is not practical work teaching pure knowledge and technology, but important revolutionary work fostering talented revolutionaries. In a socialist society, education organs teach the new generations advanced science and technology as well as knowledge according to the principles of socialist pedagogy, at the same time strengthening their ideological education to firmly foster them to become loyal and talented revolutionaries in the socialist cause.

In a socialist society, functionaries from all sectors and units must conduct ideological and political work. Political work is the first process of all work. Political work that educates and motivates the people must be effectively conducted so the masses' revolutionary enthusiasm and creative activeness can be called forth, thus successfully conducting the presented revolutionary task.

Political work is not work conducted only by party functionaries and functionaries in the ideological work sector. In a socialist society, functionaries must conduct political work regardless of any other kind of work they do in whatever sector and unit. Functionaries from all sectors—including the political, economic, cultural, and military sectors—must regard political work and work with the people as an important revolutionary duty that they are entrusted with and as the first process in conducting the revolutionary task regardless of who they are; they must vigorously conduct political work.

Today in our country, all party organizations, state organs, ideological and cultural organs, working mass organizations, and education organs are conducting the work to educate and remold party members, workers, and youth toward socialist ideology according to their missions and duties; functionaries from all sectors and units are putting political work in the forefront, thus successfully conducting the revolutionary task that has been presented.

We will continue to vigorously conduct ideological work as an all party, all state, and all society work under the party's leadership, and will firmly consolidate socialism's ideological position.

In a socialist society, the work to educate and remold people must be changed into work of the masses themselves. Ideological remolding work is for the popular masses and is work that the popular masses themselves must conduct. Since the popular masses are the masters of their fate, they must naturally take the initiative in remolding their ideology and must take part in the ideological remolding work as the masters.

Ideological remolding work is changed into the work of the masses themselves and can be successfully conducted when the broad masses actively take part. It is very important to vigorously conduct various forms of the mass ideological remolding movement to change the ideological remolding work into the work of the popular masses.

The mass ideological remolding movement is a movement in which the broad masses indoctrinate each other. At every stage of the developing revolution, our party initiated and actively waged a mass ideological remolding movement in conformity with the demands of the revolution and with the political and ideological preparedness of the masses.

Right after national liberation, our party waged the movement for mobilizing the national foundation ideology to liquidate the ideological vestiges of Japanese imperialism and feudalism, and to arm the people with the national foundation spirit. In the postwar socialist con-

struction period, our party vigorously waged the Chollima movement and achieved brilliant success in indoctrinating and remolding people in a socialist manner.

Today, when the cause of modeling the entire society after the chuche idea has come to the fore, our party fosters all members of society into communist revolutionaries of the chuche type by waging the movement to win the red flag of the three revolutions to vigorously accelerate the three revolutions—ideological, technological, and cultural. In our country, the broad masses actively participate in the ideological remolding movement, and all the people indoctrinate each other. Along with the masses, cadres also receive education from the good communist behavior of ordinary workers and peasants. Commanders receive education from the heroic acts of ordinary soldiers.

We should continuously and vigorously wage the mass ideological remolding movement in conformity with the demands of the developing revolution and with the level of the ideological preparedness of the masses. What is important in the mass ideological remolding movement is to actively encourage and develop positive examples set by the masses and widely generalize them among the masses.

A positive example is the silent criticism of the sense of the negative that arouses great sympathy among the people. The socialist society in which the sense of the positive prevails over the sense of the negative should use the method of influencing people by positive example when indoctrinating and remolding the masses.

Numerous genuine communist revolutionaries and heroic fighters who have struggled for the party, the leader, the fatherland, and the people, devoting their all, have been produced on the road of the arduous but honorable struggle our revolution has traversed. The fallen anti-Japanese revolutionary fighters, the heroes in the fatherland liberation war, and the meritorious people and unheralded heroes of socialist construction are brilliant models of communist revolutionaries.

Our party has vigorously waged the work of leading all party members and workers to learn from the noble ideological and mental ethos of fallen revolutionary fighters, heroic fighters, meritorious people, and labor innovators. Today's proud reality, in which laudable communist virtues are highly exalted among our people, clearly shows the vitality of the indoctrination to influence people by positive example and the mass ideological remolding movement.

We should vigorously wage the ideological remolding movement among the masses to constantly remold

people's ideology and fill all of society with the laudable custom of working and living in a communist manner.

Ideological indoctrination work should be conducted in close combination with the practice of the revolution through study and organizational life. Study, organizational life, and the practice of the revolution are an important key to and mighty method of ideological indoctrination work. People cultivate themselves ideologically and gain the ideological and mental provisions of the revolution through study. Only when people strengthen study can they firmly establish their revolutionary view of the world and properly continue their revolutionary struggle and construction work.

In a socialist society, we should see to it that everyone makes study a routine way of life and continues to study. In our country today, an orderly system has been established under which the entire party, all the people, and the entire Army study; this system has been properly operated. Accordingly, all members of our society sincerely participate in the various forms of study, including group studies and lectures.

In our country today, study is the people's routine way of life and has become a social ethos. We should more thoroughly establish the revolutionary study ethos in the entire party and all of society, and should lead all people to sincerely study.

The revolutionary organizational life is a blast furnace of tempering the people ideologically. It is also a school for revolutionary indoctrination. People receive political and ideological indoctrination and temper themselves revolutionarily through their organizational life. The party organizational life of party members and the organizational life of workers in the organizations in which they are enrolled are a political and ideological lives to realize the demands of their political lives. That all members of society lead an organizational life, enrolled in their respective political organizations, is a method of their political and ideological life that accords with the inherent nature of a socialist society.

In our country, all working people, youth, and students lead an organizational life, enrolled in their respective party and public organizations and in various youth organizations, adding luster to their political life by receiving indoctrination both politically and ideologically.

The ongoing successful implementation of indoctrination and remolding in the socialist idea in our country is importantly linked with the fact that all members of society have education in their political and organizational lives. We should have all party members, working people, youths, and students participate in their organi-

zational lives with a voluntary and sincere attitude, and with a correct view of and position on organization.

People's ideas are seasoned, consolidated, and verified through revolutionary practice. The old ideological remnants which line people's minds are also shown in practice. Only when we carry out ideological indoctrination work in close connection with revolutionary practice, can we successfully implement the work of removing the outdated ideas from people's minds and arm them with the socialist idea.

By making the course of implementing revolutionary tasks a course of ideological cultivation and training, our party is excellently solving questions on educating and remolding the people through practice. We should make the party members and working people learn and consolidate the socialist idea, as well as train themselves ideologically, through a practical struggle for the growth, prosperity, and development of the fatherland, and through their worthwhile socialist lives.

We should completely overcome the administration-oriented work style and formalism in ideological work and carry out the ideological work in a fresh and effective way. The administration-oriented work style and formalism are very harmful methods of work that have no relation to the working-class party's method of work; they cannot be allowed in ideological work.

If the ruling working-class party forces people to accept its idea by using power or sticks only to formality and shape, without substance, in ideological work, it cannot indoctrinate and remold the people. To carry out ideological work in an administrative and formalism-based way is a wrong attitude of trying to work easily without elbow grease. Allowing an administration-oriented work style and formalism in ideological work would make it impossible to remold people's ideas and would eventually result in the severe consequence of the ruin of the ideological stronghold of socialism.

In socialist society, ideological and indoctrination work must be carried out through explanation and persuasion in accordance with the intrinsic demand of socialism and with the characteristic of ideological work. In nature, one cannot force others to accept an idea by using power or an administrative method. The working-class party should constantly and patiently awaken and indoctrinate people to accept the socialist idea as their own idea and as a firm faith by way of explanation and persuasion.

It is important to carry out ideological indoctrination work in various forms and ways in conformity with the characteristic and preparation level of each object of education. Because each person has a different level of ideological consciousness and knowledge and

different characteristics, hobbies, standards of living, and working conditions, we cannot expect a successful result from ideological indoctrination work for all people in a single way.

It is necessary to get rid of old formalities based on formalism and effectively carry out ideological indoctrination work in a way and form that suits the characteristic and preparation level of target people. We should prepare propaganda and agitation materials, for example, based on truth and on a scientific and kind method, and should make efforts to prepare well even for a short training course, lecture, or explanation.

In order to effectively carry out ideological work, the trait of functionaries always mingling with the masses and indoctrinating them while working and breathing with them needs to be bolstered. Our party presented long ago a slogan calling on the entire party to mingle with the masses and has had the functionaries mingle with the masses and carry out ideological indoctrination work in the anti-Japanese guerrillas' style.

All our functionaries should consider it their mission and duty to mingle with the masses in accordance with the demand of the party's traditional work method, and should properly carry out the work of indoctrinating and remolding people in the socialist idea, always mingling with the masses.

Giving priority to ideological work while adhering basically to the idea is a principle that our party has invariably abided by in leading the revolution and construction. Our party will continue to strengthen ideological work and thoroughly implement the task to give priority to ideological work in carrying out all activities, and by doing so, it will protect, defend, and brilliantly accomplish the *chuche* socialist cause.

Socialism is the future of mankind. The socialist movement is a great movement of the popular masses for creating a new independent age. Through the popular masses' conscious struggle, the socialist movement will develop and win victory. The international socialist movement will win victory without fail through the struggle of the popular masses awake to and united in the socialist idea.

Papers Discuss Kim Chong-il's Work on Ideology

SK2206130095 Pyongyang KCNA in English
1027 GMT 22 Jun 95

["Papers on Significance of Comrade Kim Chong-il's Work To Strengthen Ideological Work" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 22 (KCNA) — Papers here today come out with editorials regarding

the publication of a famous work "Giving Priority to Ideological Work Is Essential for the Accomplishment of the Socialist Cause" by the great leader Comrade Kim Chong-il.

Profoundly analysed in the work theoretically and practically is the fact that giving priority to ideological work is an essential requisite for the accomplishment of the socialist cause and clearly indicated there are the main duty and content of ideological work and its principle and ways suitable to the essential demand of socialism.

NODONG SINMUN carries an editorial titled "Let Us Firmly consolidate the ideological foothold of socialism along the road indicated by the great Comrade Kim Chong-il." The editorial says: The comprehensive elucidation in the work of the unique revolutionary theory to strengthen ideological work is a great historic event for our party and people in the struggle to build the Korean-style socialism under the banner of the *chuche* idea.

The main idea of the work is that the popular masses should be firmly armed with the socialist idea and the ideological foothold of socialism be strengthened so as to carry to completion the socialist cause.

The great viability of the work lies in indicating a scientific way to carry to completion the socialist cause, adhering to the *chuche* theory on ideology. The editorial elaborates on the theoretical and practical significance of the work in fulfilling the socialist cause, which serves as a monumental document that made a distinguished contribution to the development of the revolutionary idea of the working class.

The great leader Comrade Kim Chong-il has said:

"Ideological work should be strengthened in order to defend socialism and lead it to victory."

The work gives the revolutionary people a mighty weapon of struggle to victoriously step up socialist construction without the slightest deviation.

The work says that socialism emerges victorious when you keep hold on ideology, otherwise, it goes to ruin. This provides the basic guideline in the whole historic course of carrying out socialist cause.

The work is a fundamental guideline to be firmly held to always by the working-class party in ideological work.

The main duty and content, the principles and ways of the ideological work are so fully expounded that the working-class party can conduct ideological work intentionally and purposefully with a clear goal and correct method.

It is a powerful weapon to defend the banner of socialism, smashing the schemings of the imperialists and reactionaries to destroy the socialist idea and disintegrate it in an ideological way.

MINJU CHOSON runs an editorial entitled "Historic Work Indicating the Road Ahead of Victorious Advance of Socialist Cause and its Accomplishment".

The work is a highly important guideline and a powerful militant weapon in triumphantly advancing the socialist cause and bringing it to completion, the editorial says.

Party Members on Kim Chong-il's Work on Ideology

*SK2206153795 Pyongyang KCNA in English
1521 GMT 22 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 22 (KCNA) — All the party members and other working people of Korea, upon receiving "Giving Priority to Ideological Work Is Essential for the Accomplishment of the Socialist Cause", a famous work of the great leader Comrade Kim Chong-il published on June 19, are now firmly determined to implement the idea and theory of the work to the letter.

Yim Hyong-ku, chief secretary of the Kangwon Provincial Committee of the Workers' Party of Korea [WPK], said that Comrade Kim Chong-il in the work clearly indicated the basic tasks and content of ideological work and principles and methods of ideological work which conform with intrinsic requirements of socialism.

With the publication of the work, Yim Hyong-ku added, our party and people have come to possess an omnipotent key to consolidating the base of socialist ideology like an impregnable fortress and to accelerating the socialist cause of *chuche* along the road of victory, and the revolutionary parties and peoples have come to have a clear milestone in their struggle to revive socialism.

Kim Hwa-chong, vice-president of the Academy of Social Sciences, had this to say:

Fully contained in the work are the iron will and noble intention of Comrade Kim Chong-il to firmly adhere to the immortal *chuche* idea authored by the respected leader Comrade Kim Il-song and carry forward to accomplishment the socialist cause of *chuche* started and led to victory by him.

Choe Ha-sun, secretary of the party committee of the State Commission of Light Industry, said:

The work of Comrade Kim Chong-il is an immortal banner which clearly proves the validity, scientific

accuracy and invincible vitality of the theory of *chuche* that idea decides everything.

I will make a positive contribution to performing a new innovation and exploit in the struggle to radically increase the people's living standard.

Hong Il-chon, president of Kim Hyong-chik University of Education, noted:

The historical work published by respected Comrade Kim Chong-il is a great one which scientifically proves the validity of the socialist cause and the inevitability of its victory on the basis of the penetration into the lawful demand of the accomplishment of the socialist cause and into the historical lesson of the present times with a clairvoyant intelligence.

Han Yong-ho, director of the Pyongyang thermal power complex, had this to say:

The great leader Comrade Kim Chong-il published another famous work so as to provide a highly important guideline which must be firmly adhered to in defending and accomplishing the socialist cause.

Our working class, always bearing deep in its [word indistinct] its obligation as a vanguard class of the revolution, will defend and glorify the most advantageous socialism of our style centred on the popular masses.

Book on Kim Chong-il Ideas Published in Japan

*SK2306110095 Pyongyang KCNA in English
1016 GMT 23 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 23 (KCNA) — A book on the idea and theory of the great leader Comrade Kim Chong-il was published in Japan.

CHOSON SIBO had an interview with the author of the book, Kenichi Ogami, who is director of the Secretariat of the International Institute of the *Chuche* Idea.

The interview was carried in the June 15 edition of CHOSON SIBO under the title "Inheritance and Development of President Kim Il-song's Idea, Man-centred Philosophy, People-centred Socialism and People-centred Party Building."

Kenichi Ogami told CHOSON SIBO:

"His Excellency [H.E.] Kim Chong-il's idea and theory are all evolved with the people placed in the centre.

"H.E. Kim Chong-il is the only person who can enrich the *chuche* idea after the death of President Kim Il-song.

"H.E. Kim Chong-il's philosophy is a man-centred philosophy, which explains the essence of the world

and the shaping of man's destiny with man placed in the centre of philosophical evolution.

"The socialist theory evolved by H.E. Kim Chong-il is characterized by the definition of the realisation of human independence as the final objective and the indication of the way of its realisation with the people placed in the centre.

"The main idea of H.E. Kim Chong-il's theory on the chuche party building is that a party of the masses must be built on the principle that 'the masses of people are the makers of history.'

"The societies for the study of Kimilsongism and Kim Chong-il's works will take this book as a textbook in their studies and intensively study H.E. Kim Chong-il's idea and theory."

Chongnyon Groups Send Letters to Kim Chong-il

*SK2306042695 Pyongyang KCNA in English
0405 GMT 23 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 23 (KCNA) — The great leader Marshal Kim Chong-il received letters from organizations under the General Association of Korean Residents in Japan (Chongnyon).

The letter from the participants in the fifth enlarged meeting of the 16th Central Committee of Chongnyon extends warm thanks and highest glory to Marshal Kim Chong-il for his historic letter sent on the 40th anniversary of Chongnyon. It expresses the resolution to hold in high esteem the fatherly leader Generalissimo Kim Il-song as the eternal sun of chuche and consolidate Chongnyon as a patriotic organization unfailingly loyal to the marshal.

The letter from officials of local organizations of Chongnyon and other Koreans in Japan, who participated in a banquet sent by Marshal Kim Chong-il as a gift on the 40th anniversary of Chongnyon, says: "We will make active efforts to train all Koreans in Japan into true patriots who value their leader, their nation and their organization and to strengthen and develop national education."

The letter from the participants in a seminar of Korean social scientists in Japan marking the 40th anniversary of Chongnyon says respected Marshal Kim Chong-il represents the great leader Generalissimo Kim Il-song. It expresses the resolution to make a new progress in all patriotic work including scientific research in this historic year marking the 50th anniversary of national liberation and the 50th anniversary of the Workers' Party of Korea.

The letters sincerely wish Marshal Kim Chong-il good health and a long life.

Cambodian Minister Sends Thanks to Kim Chong-il

*SK2206052895 Pyongyang KCNA in English
0515 GMT 22 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 22 (KCNA) — The great leader Comrade Kim Chong-il received a letter of thanks sent by Ung Huot, minister of foreign affairs and international cooperation of Cambodia, upon leaving Korea on June 20.

The letter expresses deepest appreciation and thanks for the excellent hospitality and very warm welcome accorded to the Cambodian minister and his delegation during their official visit of friendship to the Democratic People's Republic of Korea.

"The successful outcome of the visit has allowed us to ascertain the great achievements of the DPRK under the clear-sighted leadership of your excellency," it says, and continues:

"Taking this opportunity I would like to express to your excellency the sentiments of our deepest and genuine gratitude for the most valuable and constant support that the late great leader Generalissimo Kim Il-song, your excellency and the Government of the DPRK has always extended to our beloved and respected sovereign, His Majesty Preah Bat Samdech Preah Norodom Sihanouk Varman, king of Cambodia, in his untired struggle for an independent, sovereign, peaceful and neutral Cambodia within its territorial integrity."

Cambodia and the royal government on their sides also constantly support the ten-point programme of the great unity of the whole nation put forward by his excellency the great leader Kim Il-song for the peaceful reunification of Korea, the letter says, adding:

"I firmly believe that the traditional and excellent relationship between our two countries will continue to be enhanced for the mutual benefits of our two peoples."

Indian Party Official Visits Kim Il-song Statue

*SK2306043395 Pyongyang KCNA in English
0407 GMT 23 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 23 (KCNA) — Sitaram Yechury, member of the Political Bureau of the Central Committee of the Communist Party of India (Marxist), visited the statue of Kim Il-song on Mansu Hill on June 22, laid a bouquet before it and made a bow in humble reverence.

He said that the whole life of unbounded devotion and tireless efforts the great leader Comrade Kim Il-song

dedicated not only to the Korean people but to the world progressive people would be praised forever as grand epical canvas for the people.

He added: The Indian people and all our party members highly estimate his feats and respect him.

Mongolian Committee To Mark Kim Il-song's Death

*SK2206120195 Pyongyang KCNA in English
1038 GMT 22 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 22 (KCNA) — A Mongolian preparatory committee to commemorate the 1st anniversary of the death of the great leader President Kim Il-song was formed in Ulaanbaatar on June 14.

Present at the meeting were political, public and academic figures including the chairman of the Mongolia-Korea Friendship Association, the chief of the Mongolian Chuche Idea Study Centre and the rector of the private institute of history of oriental philosophy of Mongolia.

The DPRK ambassador to Mongolia and his embassy officials were invited there.

The speakers said at the meeting that though respected President Kim Il-song passed away, the immortal exploits performed by him for the era and humankind will shine forever.

They stressed that the great leader President Kim Il-song will always live in the heart of humankind.

Noting that President Kim Il-song opened up a new era of independence with the immortal chuche idea, they said that they will deeply study and disseminate the profound principles of the chuche idea.

VNS Correspondent Praises Pyongyang Festival

*SK2206225095 Pyongyang KCNA in English
1513 GMT 22 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 22 (KCNA) — A correspondent in Pyongyang of the radio Voice of National Salvation (VNS) of the National Democratic Front of South Korea published an article, in which he gives his impressions of the Pyongyang International Sports and Cultural Festival for Peace, according to Seoul-based radio Voice of National Salvation.

In the article entitled "Pyongyang Festival and My Impressions—True Significance of the Pyongyang International Sports and Cultural Festival for Peace" the author says the Pyongyang festival proved a great viability of the external policy pursued by the northern half

of Korea the keynote of which is independence, peace and friendship.

The Pyongyang festival demonstrated again the national power of the northern half of Korea, he says, and continues:

The West made no scruple of laying obstacles to the recent Pyongyang festival.

It is nobody's secret that the "Agency for National Security Planning" of South Korea in league with diplomats hatched plots to keep foreign tourists and visitors from going to Pyongyang and, by appeasing and bribing them, cause sudden happenings in Pyongyang and bring functions to rupture during the festival.

The festival, far from suffering any trouble, was successfully held on the set date and those present were struck with admiration at the fascinating festival on the highest level. It is natural that they call the North a powerful country.

Whoever present at the festival witnessed the degree of the North's political stability and unique political unity of the leader and people who are one in mind. Love, trust, cooperation, humanity and respect are felt across the North and the whole society is a large family sealed in blood in the true sense of the word.

Politics and people's living are stable and art is efflorescing. Accordingly, the people in the North have good hearts. During the festival more than 70 visitors to Pyongyang took back their purses, watches and cameras which they had lost for their own carelessness.

While thinking of the North's power which was demonstrated again through the Pyongyang festival, I came to be more convinced that no force on earth can conquer the North, an earthly paradise of socialism and an ideal society for the well-being of people.

He attributed the Pyongyang festival to the leader Kim Chong-il world-famous for benevolent politics, adding:

World-startling power of the North is a wonderful fruition of the great leadership ability of the leader Kim Chong-il, and politics based on love and trust is one pertaining to him.

It can be said that led by the leader Kim Chong-il, the Korean nation is blessed with illustrious leaders generation after generation; it is a happy and proud nation with all blessings in the world.

Papers Review Task of National Reunification*SK2306110895 Pyongyang KCNA in English
1037 GMT 23 Jun 95*

["Reunification in 90s Called For" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 23 (KCNA) — Twenty-two years have passed since the great leader President Kim Il-song in his historical work "Let Us Prevent a National Partition and Reunify the Country" published on June 23, 1973 put forward the five-point policy of national reunification as a measure to tide over the serious difficulties facing the country and the nation and open up an epochal phase for national reunification.

Contained in the five-point policy of national reunification are points of eliminating military confrontation and easing tension between the North and the South, bringing about multilateral collaboration and interchange between the two parts, convening a great national congress composed of representatives of people of all walks of life and the representatives of political parties and social organisations in the North and the South, instituting a North-South confederation under the single name of the Confederal Republic of Koryo and entering the United Nations as a single state under the name of the Confederal Republic of Koryo.

In a signed article, NODONG SINMUN today says:

The five-point policy of national reunification advanced by Comrade Kim Il-song is a patriotic one reflecting the desire and aspirations of the whole nation for reunification and a militant banner which contains specific measures and ways of accelerating the reunification of the country and powerfully rouses all the people to their implementation.

The publication of the five-point policy of national reunification gave a telling blow to the splittist forces at home and abroad who were hell bent on "two Koreas" plot, and their isolation from the people was deepened.

Comrade Kim Il-song said:

"National reunification is the supreme desire of the Korean people and there is no more pressing task for them than to reunify their country."

All the fellow countrymen should achieve national reunification at an early date with the great leader Comrade Kim Chong-il held in high esteem, remaining true to the behests of Comrade Kim Il-song, the sun and the tender-hearted father of the nation.

"Let us make this year a brilliant year when we will pull down the barrier of division and make a breakthrough in achieving the reunification in the 1990s " — this is

a militant slogan under which the Korean nation must advance at present.

The author of the article further says:

"10-point Programme of the Great Unity of the Whole Nation for the Reunification of the Country" advanced by Comrade Kim Il-song is the correctest guideline to prepare the internal forces of national reunification.

All parties, groupings and people in the North, the South and overseas should firmly unite under the banner of the 10-point programme of the great unity of the whole nation, transcending differences in idea and ideology, political view and religious belief, and make tangible contributions to the cause of national reunification, those who have strength devoting their strength, those with knowledge giving their knowledge and those with money donating their money. Figures of political and public circles should hold contacts with each other, exchange their views and take the same step towards national reunification. All the reunification movement organisations should wage a powerful joint struggle for national reunification with concerted efforts.

All the Koreans at home and abroad should pool their strength in the idea of reunification and patriotism, remove the checkbar lowered by the Kim Yong-sam group and successfully hold the grand national reunification festival celebrating the 50th anniversary of the liberation of the country at any cost.

MINJU CHOSON in an article says that for the present, the Korean nation should open up an epochal phase for the reunification of the country this year which marks the 50th anniversary of the liberation of the country and turn out as one man in the struggle to bring the August 15 grand national reunification festival to a success.

Reunification Festival Preparatory Group Formed*SK2206124595 Pyongyang KCNA in English
1018 GMT 22 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 22 (KCNA)

— The overseas preparatory committee for the grand national reunification festival celebrating the 50th anniversary of the liberation of the country was formed on June 20.

The committee in a prospectus on its inauguration expressed the belief that the overseas preparatory committee for the grand national reunification festival celebrating the 50th anniversary of the liberation of the country which was formed, carrying the desire of overseas Koreans' organisations and Koreans abroad, would render worthwhile services to making a turning-point in

achieving the great unity of the whole nation and national reunification along with the fellow countrymen in the North and the South.

It declared that the overseas preparatory committee would creditably discharge its duty in hastening preparations for the grand national reunification festival by forming a common preparatory committee of the nation with delegates in the North, the South and overseas at an early date.

With a view to turning Panmunjom, a symbol of national division and a place of distress and troubles for our fellow countrymen, into a venue of joy and reunification, our overseas Koreans will firmly join hands with the fellow countrymen in the North and the South and pool all strength and courage, wisdom and energies of the seventy million fellow countrymen to hold the August 15 grand national reunification festival at any cost, the prospectus added.

The overseas preparatory committee consists of Yim Min-sik, director of the secretariat of the overseas headquarters of the National Alliance for the Country's Reunification (Pomminnyon), vice-chairmen of the overseas headquarters and delegates of Koreans in Japan, the Americas, Canada, China, the Commonwealth of Independent States and Australia, 42 in all.

Festival Committee Hails Overseas Committee

*SK2306050495 Pyongyang KCNA in English
0412 GMT 23 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 23 (KCNA) — The North side preparatory committee for the grand national reunification festival celebrating the 50th anniversary of the liberation of the country and the North side headquarters of the National Alliance for the Country's Reunification (Pomminnyon) sent messages on June 22 to the overseas preparatory committee for the grand national reunification festival, congratulating it upon its formation.

The North side preparatory committee in the message said that the formation of the overseas preparatory committee made it possible to form a joint preparatory committee of the nation for the grand national reunification festival celebrating the 50th anniversary of the liberation of the country at an early date and opened a prospect for successfully holding the grand national reunification festival in Panmunjom in conformity with the expectations and desire of all the fellow countrymen.

The message expressed the hope that the preparatory committee will expand and strengthen its ranks with organisations and figures supporting the three principles of national reunification, promote in an organized way

the preparations for the grand national reunification festival celebrating the 50th anniversary of the liberation of the country, so as to greatly contribute to holding the celebrations common to the nation without fail.

The North side headquarters of Pomminnyon in the message said that with the formation of the overseas preparatory committee, the firm foundations to hold the festival as a grand reunification festival common to the nation have been laid. It hoped that the overseas preparatory committee would achieve a good success in the work for reunification in the 90s.

Article Outlines Benefits of Insurance Law

*SK2306020995 Pyongyang MINJU CHOSON
in Korean 13 May 95 p 2*

[FBIS Translated Text] The great leader Comrade Kim Il-song taught:

"DPRK law reflects the intents and interests of the working people, including workers and farmers, and is autonomously observed by all state organizations, enterprises, cooperative associations, and citizens."

In order to correctly execute the party and state's insurance policy and conduct insurance work in a thoroughly people-oriented manner, it is important to correctly define the mission and role of our country's state insurance and correctly specify the practical procedures and methods for drafting insurance contracts with the insurer and for collecting insurance money.

The details of the procedures and method for drafting insurance contracts, collecting insurance money, and guiding and controlling insurance work are specified in Articles 2 through 5 of the Insurance Law.

The Insurance Law firmly guarantees the consolidation and development of the popular masses-oriented socialism of our country by specifying the practical procedures and methods of insurance work in such a way as to guarantee to the utmost the people's demand for and right to independence.

In our country, the popular masses are the master of everything in society, and the state responsibly protects the people's lives and property.

The Insurance Law specifies that the insurer is the state insurance organization and the insured are organizations, enterprises, associations, and citizens that have signed insurance contracts with the insurer. With regard to the rights and duties of the parties of an insurance contract, the law specifies that the insurer is obliged to compensate for loss or damage suffered by the insured due to accident, or return the insured amount after the insurance term is over; it also specifies that the insured

has the right to receive compensation. This proves the superiority of the insurance system of our country where all people carry insurance of an equal socialist position.

As regards the procedures and methods for carrying an insurance policy and the effectuation and adjustment of insurance contracts, the Insurance Law specifies that the state insurance management organization shall directly define the procedures and methods to insure people, and that the insured can withdraw a life insurance or child insurance contract halfway through.

According to the law, specification on cases in which the insured can claim an insured amount; on the regulations for repaying insurance money; and on cases in which the insured cannot claim an insured amount, when an insured child dies, or when the insured who carries a passenger or casualty insurance policy dies or loses his working ability, the insurer shall repay the insurance money. Thereby, the insurance law contributes to stabilizing the people's lives and highly displays the superiority of the socialist system of our country that guarantees the improvement of the people's standard of living with responsibility.

The Insurance Law also correctly reflects the demand for strengthening the socialist country's unitary leadership by specifying the practical procedures and methods of insurance work so that insurance work can be completely conducted under the state's unitary leadership.

Imperative is the state's unitary leadership and control over all activities in the socialist society, including economic work, where all components of society are the popular masses' assets. A socialist state performs state management, promotes economic development, and improves the people's welfare through the unitary leadership and control of all activities, including economic work.

A socialist state's unitary leadership and control should legally be guaranteed by relevant laws and regulations.

The Insurance Law of our country specifies that the state insurance organization shall be the insurer and that all questions regarding insurance work, such as the standard terms of insurance contract and premiums, shall be directly decided by the state insurance management organization or drafted and executed under its approval. In cases of property accident, the insured can claim compensation for an expense he or she spent to prevent increased but cannot claim damage caused by the lack of timely preparations. Also, an insured cannot collect insurance compensation for damages made on purpose or by mistake, or caused by natural abrasion, corruption, degeneration, or rust. By specifying these, the Insurance Law makes it possible to determine all

insurance accidents in a scientific and objective manner, to prevent the increase of insurance accidents, and to thoroughly protect the property of the country and the people.

The Insurance Law specifies that the state insurance management organization shall take charge of the guidance and control of insurance work, correctly grasp and administer insurance work, and normally supervise and control the application of the standard insurance terms and bills. Thereby, it firmly guarantees the smooth performance of the state's unitary guidance and management of insurance work.

As shown above, the insurance law is a people-oriented and scientific law in which the practical procedures and methods of insurance work are specified in a manner to greatly display the superiority of our country's socialist system and actively contribute to improving the people's standard of living.

Wiwon Power Plant Reported Increasing Output

*SK2306055395 Pyongyang Korean Central
Broadcasting Network in Korean
2100 GMT 22 Jun 95*

[FBIS Translated Text] According to a report by station correspondent Choe Won, party members and the working class at the Wiwon Electric Power Plant have regularized electric power production at a high level by furiously fanning the flames of the speed battle with the same fighting spirit and mettle displayed in the 70-day battle, upholding the party Central Committee's slogans.

Cherishing in their hearts the decision to uphold the fatherly leader in an eternal state, electric power producers at the generating workshop of this plant, who have vigorously risen up to brilliantly adorn the 50th anniversary of the party's founding through the increased production of electric power, have effected the innovation of over-fulfilling their daily electric power production quota by 15 to 20 percent by operating and managing generation facilities in conformity with the demands of technical specifications and standard manufacturing procedures, by carrying out the work of checking generation facilities with foresight, and thus by operating generating facilities at full capacity.

Party members and workers at the structure workshop in this electric power plant have actively contributed to producing electric power by more properly organizing water management through the full mobilization of inner reserves, displaying a revolutionary spirit of self-reliance and fortitude.

Nagwon Machine Complex Increasing Production

*SK2206152495 Pyongyang KCNA in English
1505 GMT 22 Jun 95*

[FBIS Transcribed Text] Pyongyang, June 22 (KCNA) — The working people of Korea are making great achievements in the work to implement the calls of the Central Committee of the Workers' Party of Korea [WPK] on the occasion of the 50th anniversary of its foundation. Taking the lead in the work is the Nagwon Machine Complex, one of the nation's powerful machine production bases.

The workers there, cherishing deep in mind the teachings given by the great leader President Kim Il-song in their working place 43 years ago, are increasing the production in the revolutionary spirit of self-reliance.

It was on June 21, 1952, during the heat of the fatherland liberation war, that President Kim Il-song paid the first visit to the complex, which was just a small machine manufactory. At that time it had been producing simple machine equipment and small farm implements. That day, President Kim Il-song, guiding a meeting of the ten-member party cell of the WPK of the cast iron workshop, gave them confidence in victory and indicated how to develop the manufactory in the postwar period.

At the meeting guided by the president, the ten party members pledged to contribute to the wartime production and the postwar rehabilitation and construction in the revolutionary spirit of self-reliance. Keeping their pledge, they and other workers of the manufactory put the cupola furnace into operation to turn out molten iron defying the suspension of power supply owing to the bombing of the enemy, thus successfully honoring their wartime target.

After the end of the fatherland liberation war, they rehabilitated and expanded the factory with their own efforts in a short span of time and, at the same time, manufactured the large-scale water pumps and sent them to the Pyongnam (South Pyongan Province) irrigation and irrigation construction sites in different parts of the country. And they made the first excavator "Chollima" in 46 days and then large excavator "Changbaek", a 75-ton crane and many other machines badly needed for the postwar rehabilitation and construction and socialist construction.

Now the workers there can manufacture ultra large-scale oxygen plant which only a few countries can produce. Today the complex has been turned into a modern large-scale machine producer capable of producing in large quantities several dozen kinds of large machines and

ordered equipment needed for the mining and metal industries, construction and agriculture.

The gross industrial output value of the complex increased 36 times, the number of equipment 83 times and the number of technicians and experts 160 times the figures 43 years ago. President Kim Il-song and the great leader Comrade Kim Chong-il, giving on-the-spot guidance to the complex several times, highly estimated the achievements made by the workers there in the spirit of self-reliance.

South Korea

Kim Yong-sam To Press for Inter-Korean Summit

*SK2306093995 Seoul YONHAP in English
0904 GMT 23 Jun 95*

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — South Korean President Kim Yong-sam on Friday made it clear that he will press for inter-Korean summit again once North Korean leader Kim Chong-il formally takes over the post of state president.

Talking with Chongwadae [presidential offices] correspondents, the president enunciated such an intention by saying, "I believe Secretary Kim Chong-il will abide by the dying wish of his late father, President Kim Il-song."

Kim made the remark, saying, "I understand Secretary Kim Chong-il will take over the state presidency, although I cannot say exactly when it will take place."

"If a summit meeting with Kim Il-song had taken place last year (as scheduled), it would have laid a great milestone for national unification, let alone peace on the Korean peninsula. In this regard, I still feel sorry about that (the cancellation of summit meeting due to Kim Il-song's sudden death)."

It was the first time President Kim called Kim Chong-il "secretary" when discussing inter-Korean relations and North Korea's power structure.

Asked on the issue of the South Korean trawler "Usong-ho No. 86," which was recently captured by North Korea, President Kim said, "The Usong-ho will naturally be returned to South Korea," suggesting that the recent inter-Korean rice talks in Beijing dealt with the issue in detail as well.

Commenting on the rice talks in Beijing, President Kim said, "There is one agreement we held from announcing, but except for that, we announced everything as it is. There is no side contract."

He added that he believed the rice that South Korea is supplying to North Korea would preferentially distributed to the ordinary people.

"Rice support for North Korea will not end with this. Considering the food situation in the North, and if necessary, we will buy rice in the international market in order to supply additional rice to the North," he said.

He added that an inter-Korean meeting of government officials slated in mid-July will settle this and other pending issues.

Asked whether his government would reconsider providing rice to the North if Pyongyang continues to slander Seoul, President Kim said, "the slandering will stop, naturally."

In a speech he gave before starting a question-answer session, Kim said that he looked forward to seeing North Korea come out for productive inter-Korean dialogues, exchanges and cooperation by using South Korea's rice aid as momentum.

Referring to the forthcoming inter-Korean dialogue scheduled for mid-July, he said the government will do its best to advance the era of reconciliation and cooperation between South and North Korea.

"But we should not pin an excessive expectation and illusions on inter-Korean relations," Kim emphasized. "There are still many mountains we have to go over."

Kim also called on citizens to continue supporting the rice aid project so as to make it become a turning point in inter-Korean relations.

Summit 'Likely' After Succession

SK2306074095 Seoul KBS-1 Radio Network in Korean 0700 GMT 23 Jun 95

[FBIS Translated Text] In connection with the North-South summit talks, President Kim Yong-sam said today that under the premise that Secretary Kim Chong-il will succeed to the presidency, he believes Kim Chong-il will follow Kim Il-song's will. Although President Kim did not specify the timing, he hinted that the North-South summit talks will likely take place after the conclusion of North Korea's power succession.

In a news briefing on the rice aid to North Korea, President Kim Yong-sam said that it was very regrettable that the North-South summit was not held last year due to the sudden death of President Kim Il-song.

President 'Looks Forward' to N-S Dialogues

SK2306075395 Seoul YONHAP in English 0733 GMT 23 Jun 95

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — President Kim Yong-sam said Friday that he looks forward to seeing North Korea come out for productive

inter-Korean dialogues, exchanges and cooperation by using South Korea's rice aid as momentum.

Meeting the press in Chunchugwan Hall, the press center at the presidential mansion of Chongwadae, President Kim expressed the hope saying the government will push ahead with rice assistance to North Korea so that it go off without a hitch by the date it promised.

Referring to the forthcoming inter-Korean dialogue scheduled for mid-July, he said the government will do its best to advance the era of reconciliation and cooperation between South and North Korea.

"But we should not pin too many expectations and illusions on inter-Korean relations," Kim emphasized. "There are still many mountains we have to go over."

The president said that "Despite every complication and difficulty, the inter-Korean negotiations on rice aid proceeded smoothly as our policy was to unconditionally assist North Korea." "Through the contact, North Korean authorities have confirmed our pure intentions."

Noting the inter-Korean talks in Beijing served to build mutual trust between South and North Korea, Kim voiced his hope that North Korean authorities would do their best to solve the food shortage problems.

President Hints at Additional Rice Aid to North

SK2306011895 Seoul YONHAP in English 0115 GMT 23 Jun 95

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — President Kim Yong-sam said Thursday that South Korea is willing to provide more rice aid to North Korea in addition to the 150,000 tons it pledged during a recent inter-Korean vice ministerial talks held in Beijing last week.

Kim said that, "If we don't have rice stockpiles, we could still provide additional rice to North Korea even if we have to buy it from other countries."

"Rice prices in foreign countries are merely one third that of ours, we have enough money to manage it," said Kim during a luncheon meeting at Chongwadae [presidential offices] with a group of retired entertainers who served in the Army during the 1950-1953 Korean war.

President Kim also made similar remarks while presiding over a meeting of cabinet ministers Thursday afternoon at Chongwadae on rice aid to North Korea.

Kim instructed the ministers to carefully ensure that all necessary preparations for an early delivery of rice

to North Korea are made by the date South Korea promised.

He asked the ministers to place the rice aid issue above all others in order to lay the groundwork for positive inter-Korean reconciliation and cooperation.

More on Rice Shipments

SK2306004395 Seoul THE KOREA TIMES in English
23 Jun 95 p 1

[FBIS Transcribed Text] President Kim Yong-sam yesterday said that South Korea will provide more rice to the North in addition to the 150,000 tons it agreed to give in the just-ended Beijing rice talks. Kim said that the government will provide the North with foreign rice should reserves in the South run out. "If we don't have (reserves), we will buy rice from foreign countries and give it to the North. The price of foreign rice is one-third ours. We have the money to do that," Kim said.

"Out of sheer brotherly compassion, I decided to give rice to North Korea which suffers from a severe food shortage," Kim told a group of public entertainers who put on shows for the troops during the 1950-1953 Korean War. The President hosted a luncheon for the at Chongwadae [presidential offices] on the occasion of the 45th anniversary of the outbreak of the internecine conflict.

Kim said that the rice aid to the North will be a "turning point on the path to national reunification," disclosing that the loading of the rice destined for the North began at Tonghae Port yesterday.

Kim made similar remarks while presiding over a meeting of Cabinet ministers on rice aid to the North at Chongwadae yesterday afternoon.

Kim instructed ministers to prepare failsafe measures to ensure shipment of the rice to North Korea within the earliest possible date, before the rainy season sets in.

Kim also expressed hope that the rice aid will lay firm groundwork for inter-Korean reconciliation and cooperation.

In the meeting, Finance-Economy Minister Hong Chae-hyong, Unification Minister Na Ung-pae and other ministers briefed President Kim on the hulling of the rice, manufacturing of polypropylene rice bags, transportation and other matters concerned with the rice aid.

Kim, meanwhile, met with Vice Finance-Economy Minister Yi Son-chae to be briefed on the results of the Beijing talks late in the afternoon.

During the luncheon meeting with the entertainers, President Kim said that the government designated 10

South Korean ports, including Tonghae, Pohang, Ulsan, Mokpo and Kunsan, as shipping points for the rice for its swift handling.

Kim revealed that the government decided to use 2,000-3,000-ton ships, instead of large bulk carriers with displacement capacity of 5,000-10,000 tons, to ensure swift loading and unloading and in consideration of the impending rainy season and port conditions in North Korea.

Kim said that he ordered rice mills across the nation to switch to 24-hour operations, adding that 30 rice sack manufacturing factories are also being operated around the clock to make millions of unmarked 40-kilogram polypropylene sacks.

"All this work, the first of its kind in the history of South-North exchanges, will help lay the groundwork for national reunification," Kim said.

Meanwhile, a freighter began loading 2,000 tons of emergency rice at the eastern port of Tonghae as initial shipment of food aid to North Korea yesterday.

The 1,998-ton Sea Apex would leave Tonghae tomorrow and is expected to arrive in the North Korean port of Nachin on Monday, becoming the first southern vessel to berth at a northern port since the end of the Korea War.

More shipments were to leave from nine other ports.

Despite the high expectations in the South, the communist North's official media kept silent about the first official decision to receive economic aid from its capitalist rival.

Vice Minister Yi on Rice Talks With DPRK

SK2306043895 Seoul CHOSON ILBO in Korean
23 Jun 95 p 2

[Interview with Yi Sok-chae, vice minister of finance and economy and head of the ROK delegation in rice talks with the DPRK in Beijing, by unidentified ROK reporters at a news conference held on the afternoon of 22 June in Seoul; compiled by CHOSON ILBO reporter Kim Sung-yong; first paragraph is CHOSON ILBO introduction]

[FBIS Translated Text] On the afternoon of 22 June, Yi Sok-chae, vice minister of finance and economy who was the ROK's head delegate to the South-North Korean rice talks held in Beijing, held a news conference after emerging from Chongwadae [presidential offices] where he reported the results of his negotiations with the North's delegates on the supply of rice. In the news conference, he said: "During these last rice talks, we

were able to clearly convey to the North side that this issue would be solved through inter- governmental dialogue. We conducted the rice talks without attaching any preconditions, from the standpoint of providing aid as compatriots."

Questions and answers are as follows:

[Unidentified reporter] How much rice did North Korea say they needed?

[Yi Sok-cha] They hoped for over 1 million tonnes of rice. Their position was, the more rice, the better. We took the stance that the additional supply of rice should be realized through the negotiations between the South and the North."

[Unidentified reporter] Did you deliver a personal letter from President Kim Yong-sam?

[Yi] There was no such letter. We only conveyed the president's will that we in the South should unconditionally provide aid to our compatriots when they are suffering difficulties."

[Unidentified reporter] You talked about compatriot love. Why then did you not discuss the issue of reuniting separated families?

[Yi] North Korea decided to accept the rice from the South and we agreed to hold a second round of talks. This fact itself is meaningful. We will gradually discuss the question of the reunion of separated families, while restoring the trust between the two sides."

[Unidentified reporter] Did you discuss the question of repatriating the crew of the Usong?

[Yi] It was not one of the official agenda items that were discussed at the talks. Nonetheless, it is true that we talked about it in an informal gathering.

[Unidentified reporter] What was the atmosphere of the talks?

[Yi] It was good throughout the talks. But, we experienced difficulty at times when what we thought were matters of procedure were interpreted by the North side as preconditions. During negotiations, our side faced the big task of convincing the North side that our intentions were pure.

[Unidentified reporter] Why have you not disclosed the entire text of the agreement?

[Yi] We have disclosed every detail of the agreement. Nonetheless, because it is important to keep good faith between the South and the North, we have simply decided not to disclose the original text of the agreement, as requested by the North side. There is nothing disadvantageous in what has not yet been disclosed.

[Unidentified reporter] We understand that Seoul and Pyongyang were supposed to announce the agreement at the same time. But, the Pyongyang side has not yet made any announcement. Why is that?

[Yi] We agreed to make it public after returning home. How the North side acts will be revealed in due time.

[Unidentified reporter] Did Chon Kum-chol [chief of the North Korean delegation to the rice talks and vice chairman of North Korea's Asia-Pacific Peace Committee] attend the talks carrying a letter of attorney given by either the Administration Council of North Korea or Kim Yong-sun?

[Yi] Clearly, the talks were held between the authorities concerned and the agreement was reached between the authorities concerned. I cannot say whether he carried a letter of attorney.

[Unidentified reporter] Were agricultural chemicals or fertilizers also brought up?

[Yi] They can also be discussed when South-North relations improve in the future. At recent talks, the main topic was rice.

[Unidentified reporter] What kind of person was Chon Kum-chol?

[Yi] He was a skillful negotiator. He was a faithful communist.

[Unidentified reporter] What if North Korea purchases other grain, such as corn, by selling our rice to the PRC?

[Yi] There are no preconditions attached to this supply of rice.

[Unidentified reporter] Did you discuss South-North economic cooperation in an informal gathering?

[Yi] North Korea expressed the hope that our enterprises would invest as much as possible in North Korea.

Dailies on Results of N-S Rice Agreement

SK2306090295

[FBIS Editorial Report] Seoul vernacular dailies on 23 June carry editorials and articles on the anticipated consequences in inter-Korean relations and the economic effect on the local rice market as a result of the settlement of the rice talks in Beijing on 21 June.

The conservative CHOSON ILBO carries on page 3 an 800-word editorial entitled "Toward More Pragmatic North-South Relations." The editorial notes the significance of the political implications involved in the settlement of inter-Korean rice talks, and notes that despite the lack of full disclosure of the details of the talks,

some signs of change, though small, are witnessed in the North Korean approach to the talks. The editorial says, "Among other things, North Korea has begun to be more interested than before in what is practically advantageous to them" and observes, "The question is how this small change in the North Korean attitude will affect future inter-Korean relations and negotiations." The editorial then notes, "Rigid dogmatism and political propaganda will hamper the improvement of inter-Korean relations. If the rice talks can bring about a turning point for a more practical and realistic approach in inter-Korean relations, obstacles may be overcome surprisingly easily."

The moderate KYONGHYANG SINMUN carries on page 3 an 800-word editorial entitled "Domestic Rice Supply Should Not Be Adversely Affected." The editorial stresses, "We gladly share our rice with the fellow countrymen in the North because we are prepared to even bear the burden of the cost of reunification. However, we should prevent the side effects thereof, such as the hike in the price of rice in the domestic market."

The moderate HANGUK ILBO carries on page 3 an 800-word editorial entitled "North and South Korea After Rice Talks." The editorial notes the people's expectation of improvement in inter-Korean relations, commenting that "At this point, few people in the ROK will object to rice aid to the North." The editorial says, "Contrary to the South people's warm compatriotic love and expectations of the improvement of relations, the North Korean attitude leads us to doubt the North's intentions." The editorial then notes that the North Korean Government and its mass media remain silent about the settlement of rice talks and continue to put down the South, observing that "After receiving rice from us, the North Korean media could distort the fact, stating that the South Korean authorities sent North Korea rice submitting to Kim Chong-il's nuclear blackmail policy."

The moderate CHUNGANG ILBO carries on page 3 a 1,200-word article by reporter Kim Min-sok and Choe Won-ki entitled "Problem Points of Inter-Korean Rice Talks—Ambiguous Signatory to Agreement, Unpleasant Aftertaste." The article begins, "The inter-Korean rice talks left a somewhat unpleasant aftertaste. Although we are providing the North with 150,000 tonnes of rice free of charge from pure compatriotic love, Pyongyang is calling us names, let alone thanking us." The article then notes North Korea, remaining silent about the result of the talks in its official media, is intensifying southward propaganda, and says, "We can hardly understand why the government is withholding the full disclosure of the text of the agreement of the talks. What Deputy Prime Minister Na Ung-pae announced was not

the text but a gist of the agreement. Therefore, it is unclear who the signatories to the agreement were."

The article then notes the people's question, "Did the government have to give rice to the North despite all these ambiguous points?" in connection with the possibility of North Korea using the rice for its Armed Forces, and concludes, "We remember the attitude of North Korea in 1984 when they, sending only 50,000 som [7,000 tonnes] of low-quality rice and some fabric for flood victims, carried them in trucks to Seoul and demanded that they meet the flood victims face to face."

The moderate TONG-A ILBO carries on page 3 a 1,000-word article by reporter Han Ki-sok entitled "Government Refuses To Disclose Text of Agreement in Rice Talks—Reason Unclear." The article notes the inconsistent attitude of the ROK Government as to the disclosure of the text of the rice agreement, and notes the government's position when it said "We cannot disclose the text because we promised the North not to disclose it." The article also notes that "Deputy Prime Minister Na will be able to explain the full text of the agreement on the condition that it will not be made public." The article says, "This could suggest, for instance, that despite the government's claim that the agreement was made between the authorities of the North and the South, the actual agreement describes it more or less ambiguously, and that the agreement refers to the conditions for the resumption of inter-Korean dialogue."

ROK Hopes To Set Up Economic Offices With North

SK2306010295 Seoul THE KOREA TIMES in English
23 Jun 95 p 8

[FBIS Transcribed Text] The improving relationship between South and North Korea in the aftermath of the agreement to supply 150,000 tons of rice to Pyongyang is raising Seoul's hopes the two sides will be able to set up economic offices in each other's capitals.

According to informed government sources yesterday, related ministries are scurrying to arrange aborted South-North Joint Economic Committee sessions for this purpose.

They said representatives of Economy and Finance, Trade, Industry and Energy, National Unification and Foreign Ministries are expected to get together soon to work out the details on a South-North meeting.

"The agreement to supply rice to North Korea is regarded as a positive signal and government agencies are concurring that we should strike while the iron is

hot," one MOTIE [Ministry of Trade, Industry, and Energy] official explained.

The joint economic meeting between the two Koreas was scheduled to take place in October 1992 but was aborted unilaterally by the Pyongyang authorities.

The ensuing controversy over the North Korean nuclear program caused severe degradation of South-North relations but the recent conclusion of talks on the supply of two pressurized light-water reactors to the North with the United States has signaled a potential enhancement in bilateral ties.

MOFE [Ministry of Finance and Economy] officials said the initial objective of a joint meeting will be the establishment of representative offices in each other's capitals. These offices will have consular functions as well.

Later, communications, transportation access and direct two-way trade will be discussed for implementation at the earliest possible date, they elaborated.

"There is naturally a great deal to be done, including agreements on investments and the avoidance of double taxation. The details will have to be worked out with patience," one MOFE official said.

Yet, some experts pointed out that it is too early to adopt excessively optimistic views about the implications of the supply of rice and the nuclear power generators.

"The North Korean authorities were strongly against the adoption of the (South) Korean standard nuclear reactor model and there is no clear indication that the agreement on rice has any significant meaning as far as bilateral relations are concerned," observed one expert who refused to be named.

However, one MOTIE official said what is critical at the moment is the South Korean authorities taking of all necessary steps to expedite a thaw on the Korean peninsula should the North adopt a positive attitude.

In this regard, many senior government officials believe that the elements needed to pull North Korea out of its hermit kingdom are in place. "All we need is a cooperative posture from the North."

Part of this preparation is authorization given to the Daewoo and Kohap Groups to proceed with direct investment in North Korea and the movement of a number of others up the waiting list.

Possible Reactor Project Contractor Calls Strike

*SK2306064895 Seoul YONHAP in English
0618 GMT 23 Jun 95*

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — The trade union of the Korea Power Engineering Co., Ltd. (KOPEC), which may participate in the construction of light-water reactor plants in North Korea, went on a strike at 2:00 PM [0500 GMT] Friday.

The union demands a 41.95 percent wage hike while the company proposes a 3-percent raise.

Among unionists participating in the strike are about 190 technicians in the geotechnology and civil engineering departments who may be included in a survey team scheduled to examine sites for the construction of nuclear power plants in North Korea.

Union members total 1,495, with more than 190 technicians with doctoral degrees and 'professional engineer' certificates included.

The Korea Electric Power Corp. (KEPCO), leading the light-water reactor supply project, has a 98 percent share of KOPEC, while the Korea Atomic Energy Research Institute (KAERI) holds the remaining 2 percent.

KOPEC has been expected to be a contractor to do the architectural engineering and design for the light-water nuclear reactors to be built in North Korea in case the Korean Peninsula Energy Development Organization (KEDO) signs a commercial contract with KEPCO.

Government To Promote S-N Road, Rail Links

*SK2306024995 Seoul YONHAP in English
0239 GMT 23 Jun 95*

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — The government will promote in earnest the restoration of national roads and railways linking the South with the North in preparation for the anticipated brisk traffic of people and material between the two Koreas, Construction and Transportation Ministry officials said Friday.

The anticipation of increased traffic has been prompted by the successful conclusion of the light-water nuclear reactor talks between the United States and North Korea in Kuala Lumpur on June 12 and the successful rice aid talks between South and North Korea concluded Wednesday in Beijing.

The Construction and Transportation Ministry plans to complete the expansion and repaving of a few segments in the southern part of National Roads No. 1 and 3 linking Mokpo in the South with Sinuiju in the North and Namhae in the South with Chosan in North Pyongan

Province of the North by the end of next year at a cost of 46.9 billion won (about 61.7 million U.S. dollars).

The ministry plans to expand the current two-lane 6.4-km section between Freedom Bridge and Panmunjom on National Road No. 1 and to pave it by the end of this year. A 10.7-km two-lane section between Sintan-ri, Yonchon County, and Woljong-ni, Chorwon County, on National Road No. 3 will also be expanded to four lanes and paved by the end of next year, according to the ministry officials.

As for railways, the ministry plans to draw designs and procure land for the restoration of a 12-km section between Munsan and Changdan on the Seoul-Sinuiju line within the year. Similar projects are planned for another 16.2-km section between Sintan-ri and Woljong-ri on the Seoul-Wonsan line.

The ministry also plans to promote the eventual opening of sea routes linking the South's Pusan, Inchon and Pohang ports with the North's Nampo, Wonsan and Chongjin ports and also a Kimp'o-Sunan air route based on the South-North basic agreement concluded in 1992.

Gallucci on Delay in U.S.-DPRK Liaison Offices

SK2306020895 Seoul YONHAP in English
0202 GMT 23 Jun 95

[FBIS Transcribed Text] Washington, June 23 (YONHAP) — The chances that liaison offices between North Korea and the United States will open by July are slim, U.S. nuclear amb. Robert Gallucci remarked Thursday.

In a press briefing at the Washington Foreign Press Center, Gallucci soberly addressed the liaison office issue, claiming, "It is unlikely to impossible to believe that it is going to happen within the next month."

Gallucci explained that under the agreed framework, the two sides stated that once consular and technical issues were resolved, then liaison offices could be opened. But since further talks regarding the advancement of these problems are not even scheduled yet, the openings are unlikely to occur in July.

So far, the U.S. team and the North Korean delegation have each visited the other's capitals twice.

The nuclear ambassador added optimistically, "Within the coming months it is still quite plausible that we could make the progress necessary to open the liaison office."

The details that need to be straightened out include property acquisition, terms, such as compensation for transactions, and what movement and communications will be allowed each nation's diplomats while in the other's country, he explained.

Gallucci also declared that once the liaison offices are opened, under the agreements in the framework accord, the North Koreans are obligated to participate in peninsular talks. "We expect them to proceed with an opening of negotiations and discussions with the South on North-South issues," he maintained.

In other developments, Gallucci elaborated on the U.S. team that is currently in Pyongyang concerning the safe storage of the spent fuel rods at the frozen graphite-moderated reactors. The fuel rods' casings erode over a period of time, and the delegation is advising the North on how to slow that erosion process.

He added that hopefully by the end of this year, they will recan the approximate 8,000 spent fuel rods, which is their ultimate intent.

DPRK Reportedly Invites Jimmy Carter To Visit

SK2306022595 Seoul YONHAP in English
0221 GMT 23 Jun 95

[FBIS Transcribed Text] Washington, June 22 (YONHAP) — North Korean Foreign Minister Kim Yong-nam has reportedly invited former U.S. President Jimmy Carter to his country, diplomatic sources here said Thursday.

A source here revealed that Kim recently sent a letter to the former American president, under the authorization of de facto leader Kim Chong-il, asking him to visit North Korea at his earliest convenience.

The source said that Kim's letter was a response to Carter's letter delivered to North Korean leader Kim Chong-il by the U.S. Cable News Network's (CNN) President Tom Johnson during his trip to Pyongyang late last month.

In the letter, Minister Kim also expressed his satisfaction with the successful completion of the U.S.-North Korean senior officials' talks in Kuala Lumpur, Malaysia.

Officials at the Carter Center in Atlanta, meanwhile, did not confirm the letter, adding Carter has no plans to visit North Korea at the moment.

U.S. Embassy Employees Investigated for Visa Fraud

SK2306003395 Seoul CHOSON ILBO in Korean
23 Jun 95 p 39

[Report by Yu Sok-ho and Kim Tong-sok]

[FBIS Translated Text] In connection with a large-scale incident involving the illegal issuance of visas, the U.S. Embassy in the ROK reportedly has been under direct inspection by the U.S. Department of State for

20 days since early this month. It has also been learned that because the inspections have revealed that embassy employees are involved in the illegal issuance of visas in an organized fashion, the U.S. Embassy has decided to ask the ROK police to investigate.

On 22 June, a high-level source said: "My understanding is that early this month one employee of ROK nationality in the Consular Section of the U.S. Embassy was dismissed on charges of illegally issuing visas to about 50 people for money. With this incident as momentum, the U.S. Department of State dispatched an ad hoc inspection team to the U.S. Embassy and has been conducting intensive inspections."

This source continued: I also understand that it is highly likely that former and incumbent high-ranking American employees are also deeply involved in this incident.

Up until recently several incidents have taken place involving employees of ROK nationality in illegally issuing visas. This was the first time, however, that the U.S. Department of State had ever dispatched an inspection team, which has since been conducting inspections.

According to this source, as a result of the ad hoc inspections, it has been found out that about 10 embassy employees have issued several hundreds of visas mainly to middle and high school students who want to study in the United States, after receiving from 7 million to 10 million won in Korean currency, in collusion with about 10 private agencies that help students locate study programs in the United States or that help visa applicants apply for visa applications. A considerable number of such students are reportedly the children of high-ranking officials in the political, business, and government sectors.

In the meantime, as a result of the current inspections, various operations at the U.S. Embassy have been paralyzed. The number of visas issued, previously about 1,000 a day, has decreased to less than about 200, thereby concerning businessmen and students who desire to study in the United States.

Embassy Conducting Investigation

SK2306044895 Seoul YONHAP in English
0441 GMT 23 Jun 95

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — The U.S. Embassy in Seoul is currently investigating allegations that several members of the embassy staff received kickbacks in exchange for visas to America, the Embassy spokesman said Friday.

Steve Rounds, of the U.S. Information Service, verified the probe, saying, "There is an investigation going on within the embassy."

However, Rounds would not disclose the identity or nationality of the suspects.

Rounds also added an apology for any delays that may occur as a result of the incident, commenting, "Sorry if there are any delays in visa processing."

He added that there wasn't any reaction from the State Department.

An official at the Foreign Ministry's North America Division claimed that he became aware of the incident several days ago, when he learned of the kickback investigation. However, he noted that the ministry hasn't been officially notified, nor have any suspects been referred to the Seoul prosecution.

USIS Terms Reports 'Inaccurate'

SK2306093595 Seoul YONHAP in English
0910 GMT 23 Jun 95

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — The Korean national police and the U. S. Embassy are collaborating to investigate a fraudulent visa ring in Seoul, the USIS [U.S. Information Service] stated Friday.

The criminal syndicate, targeting Korean students, is selling fake visas for a considerable sum of money, the USIS claimed, warning, "the visas are unauthorized and invalid."

The U.S. Embassy is calling for individuals who received visas without interviews to contact embassy officials to verify their traveling status. There have already been incidents where individuals "experienced serious immigration difficulties" due to the illegal visas.

The announcement arrived in light of an article in Friday's edition of the CHOSON ILBO, which reported that several members of the American consular staff, both Korean and American, received kickbacks to provide expedited visas, and that the U.S. State Department was investigating the internal affairs of the American Embassy.

The USIS called the report inaccurate and strongly defended the reputation of the embassy staff, praising their dedication and hard work.

"The U.S. Government has the utmost confidence in their integrity, and regrets that (Friday's) inaccurate reports unfairly impugned them," the statement read.

The USIS noted that last week, the embassy issued an average of over 2000 visas each day, which is an

"unprecedented number of visas to Korean travelers this summer."

Pusan Civic Groups Demand Removal of U.S. Base
SK2306000595 Seoul THE KOREA TIMES in English
23 Jun 95 p 3

[FBIS Transcribed Text] Pusan - Members of 24 civic organizations will join hands to form a human chain around Camp Hialeah in this southern port city on July 1 to press their demand to move the U.S. military base out of the city.

The 24 organizations have joined forces to repatriate land used by U.S. military bases.

A total of 3,000 members and citizens will surround the 1,100-meter perimeter of the base in the protest event.

Organizers said that the participants will gather at a middle school about 300 meters away from the camp first to march their way to it with protest pickets and balloons.

They said that the participants will sing such songs as "Our Wish Is Unification."

A spokesman said that they have organized the event to demand the land occupied by U.S. forces be returned to Pusan immediately.

Camp Hialeah, used by the U.S. forces here since Korea's independence from the Japanese colonial rule in 1945, is located in the heart of the city, hampering the efficient urban development of the city and causing enormous gridlock. The size of the camp is about 168,000 pyong (one pyong is equivalent to 3.3 square meters).

Although Pusan citizens have demanded the repatriation of the Camp Hialeah land without success for a long time, real momentum for the demand came recently when President Kim Yong-sam promised to move the camp and construct an athletes' village and a park for the 2002 Asian Games, which Pusan was selected to host.

ROK Urged To Renegotiate Treaty With Japan
SK2206123095 Seoul YONHAP in English
0842 GMT 22 Jun 95

[FBIS Transcribed Text] Seoul, June 22 (YONHAP) — South Korea should renegotiate the Korea-Japan Basic Treaty, which normalized relations between South Korea and Japan in 1965, as it neither apologized nor compensated for Japan's colonial rule of the Korean peninsula, a group of former anti-Japanese freedom fighters and their relatives insisted Thursday.

Meeting reporters just after visiting Vice Foreign Minister Yi Si-yong to deliver a recommendation for the "National Council for Correct History" on the 30th anniversary of the signing of the treaty, Representative Kim Won-ung of the largest opposition Democratic Party (DP) insisted that the revised Korea-Japan Basic Treaty should contain the same level of conditions as demanded by North Korea which is proceeding with a plan to sign a normalization treaty with Japan.

Speaking in his capacity as chairman of the executive committee of the council, Rep. Kim said that North Koreans are reportedly demanding that the treaty compensate and apologize for the damage caused by Japan's colonial rule of Korea and even prosecute war criminals.

Denouncing the Foreign Ministry's position that the conditions in the treaty between North Korea and Japan should be similar to the ones in the Korea-Japan Basic Treaty, Kim said "we should not commemorate the 30th anniversary of the Korea-Japan Basic Treaty but renegotiate the treaty because it gave up South Korea's right to demand compensation by failing to contain any clause on Japan's compensation for its colonial rule."

Vice Foreign Minister Yi meanwhile said that the treaty has meaning because it led to normalization of diplomatic relations between South Korea and Japan and to Japan's recognition of South Korea's status as the sole legitimate government on the Korean peninsula, according to Kim.

Deputy Director General Mun Pong-chu of the ministry's Asian Affairs Bureau, who also attended the briefing, retorted that it is almost impossible for the country to cancel the 1965 treaty with Japan because South Korea is not in a position to scrap all the relations with Japan.

"Such a cancellation of the treaty could take place only if the two countries sever ties or engage in war," he said. "And South Korea and Japan are not in such a situation."

He, however, admitted "I think the compensation issue was wrongly addressed in the treaty." He then added that it would be difficult to raise the issue of renegotiating the treaty after all these years."

Rival Parties To Go All Out in Stumping 'This Weekend'

SK2306091195 Seoul YONHAP in English
0718 GMT 23 Jun 95

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — Rival parties plan to concentrate their stumping on

strategic areas during the coming weekend, judging it will significantly influence the outcome of the June 27 local elections, now only four days away.

While refraining from huge outdoor rallies during the weekend, the ruling and opposition parties are set to conduct street campaigns and host speech meetings in an effort to reverse unfavorable sentiments in weak election districts and solidify favorable sentiments in strong ones.

The Democratic Liberal Party (DLP), having cancelled Sunday's rally at Seoul's Changchung Park has decided to hold four regional speech rallies in the capital city during the weekend at which its Seoul mayoral candidate Chong Won-sik and its candidates for ward chief and city councilman positions will address voters in hopes of rallying support.

In particular, over a million members of the 44 DLP district chapters in Seoul are scheduled to distribute printed matter appealing for voter support for their candidate Chong during the morning rush hour on Saturday and Monday.

The major opposition Democratic Party is slated to focus its canvassing on Seoul and its satellite cities this coming Saturday and Sunday, with President Yi Ki-taek and Kim Tae-chung, chairman of the Asia-Pacific Peace Foundation, participating.

The splinter United Liberal Democratic Party (ULD) is intent on solidifying its strengths in South Chungchong Province, the political home town of party President Kim Chong-pil, through Kim's canvassing.

DLP Chairman Yi Chun-ku stumped Kangnung and Tonghae on the east coast Friday, calling for voter support for ruling party candidates with a view to securing political stability, which he said will be required to effectively cope with renewed dialogues and further exchanges with North Korea in the wake of the South's provision of rice aid to the communist country.

Yi attacked Kim Tae-chung and Kim Chong-pil for their alleged attempts to turn the local elections into a preliminary contest for the 1997 presidential elections as well as for their alliance.

DLP Secretary-general Kim Tok-yong, stumping Kwangju and Cheju Friday, called on Kim Tae-chung to retire completely from politics saying, "Kim Tae-chung should take responsibility for having distorted the local autonomy," and "the people in the Cholla Provinces should be freed, they are hostages of regional antagonism."

Returning to Seoul from Chongju, North Chungchong Province, Kim Tae-chung stumped in Nowon, Tobong,

Tongdaemun, Chongnyang, Chongno, Chong and Songdong wards in Seoul on Friday saying, "Let's hand down a stern judgment to misrules of the incumbent regime, which do not fear the people."

While canvassing Yangsan and Ulsan, South Kyongsang Province, and Ponag, North Kyongsang Province, DP President Yi Ki-taek asserted, "the people have already parted companion with the incumbent government... I'm convinced that they will judge the present regime through the upcoming elections."

Stumping east coast cities, ULD President Kim Chong-pil said that based on rumors he has heard, he thinks "the ruling Democratic Liberal Party will distribute a huge amount of money and employ bureaucratic influences this coming weekend in efforts to buy votes."

Kim Chong-pil, ULD Support Cho Sun as Mayor

SK2306023195 Seoul YONHAP in English
0214 GMT 23 Jun 95

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — Kim Chong-pil, president of the minor opposition United Liberal Democrats (ULD), said Friday that his party has decided to support Cho Sun in the mayoral election in Seoul.

He held a press conference at the party building in Mapo-ku and said, "since this local election can be considered an interim evaluation of the Kim Yong-sam government, we thought there must not be a split of opposition parties in the local elections."

However, he said, his party is not considering cooperation in other electoral districts. "Candidates of the ULD are now in a favorable position after getting over some difficulties."

Kim, who formed a new opposition party after he lost his post as chairman of the ruling Democratic Liberal Party (DLP) in February this year, added that the decision was independently made by the ULD, regardless of the main opposition Democratic Party's [DP] position.

"If the DP requires it, we will give the party all our support, including stump speechmaking to help Cho," he said.

Kwon No-kap Rejects Prosecution Summons on Document

SK2206125195 Seoul YONHAP in English
0813 GMT 22 Jun 95

[FBIS Transcribed Text] Seoul, June 22 (YONHAP) — The Seoul District Prosecutor's Office has asked Rep. Kwon No-kap, vice president of the main opposition

Democratic Party [DP], to proceed to the prosecution Thursday evening or Friday to answer questions on the circumstances of his releasing a forged Foreign Ministry document to a local monthly magazine.

The prosecution said it had confirmed that the Foreign Ministry document carried in the monthly was a forged one in an overnight questioning on Thursday of 10 related Foreign Ministry officials, including Director-general Kim Yong-ki of the Cultural Affairs Bureau.

It was also confirmed through a comparison of the original documents kept at the Foreign Ministry with the copies faxed to the prosecutor's office thus far from 31 overseas missions, prosecutors said.

The DP legislator, meanwhile, flatly rejected the summons, arguing that the prosecution is trying to influence the upcoming local elections with its investigation into the case.

"The prosecution can inquire into the case any time after the elections, or by telephone," insisted Kwon, who added that he would never identify his informant. He instead said, "It is suspicious that the Foreign Ministry resorted to the prosecution right away without making an internal effort to identify the forger.

"If a Foreign Ministry official had fabricated it, the foreign minister would have to resign taking responsibility for his ministry officials' poor discipline."

The prosecution is poised to question Rep. Kwon over how he obtained the document, and whether or not he knew the classified document had been fabricated before he turned it over to the monthly.

The prosecution found that the partial fabrication was done to a document titled "Current State of Local Autonomous Systems," which the ministry sent to its 34 overseas missions on March 23.

A monthly magazine reported in a recent issue that a leading opposition lawmaker revealed a Foreign Ministry document which he insisted instructed Foreign Ministry missions overseas to conduct surveys of local autonomous systems in advanced foreign countries to gather information useful for delaying the June 27 local elections.

Kim Tae-chung: Document 'Authentic'

SK2206125395 Seoul YONHAP in English
1140 GMT 22 Jun 95

[FBIS Transcribed Text] Puchon, June 22 (YONHAP) — A controversy over the alleged forging of a classified Foreign Ministry document is escalating as Kim Tae-

chung, chairman of the Asia-Pacific Peace Foundation, on Thursday rejected the idea of the document having been forged.

In a speech at a local election stumping here, Kim said the document exposed by Rep. Kwon No-kap is authentic contrary to the prosecution finding that it is a forged copy.

"I have an evidence substantiating its authenticity," Kim said. "They (ruling camp) say the document is a hoax, but I have a proof indicating it has not been falsified."

He stressed that he would elaborate on it later but he can clearly state that it is not a hoax.

All the fuss began when Rep. Kwon exposed in an article appearing in the latest issue of a monthly that the Foreign Ministry earlier handed out secret instructions to its overseas outlets to collect information on the local autonomy system of their host countries.

By producing a copy of the classified written instructions, Kwon alleged it was part of the then government scheme to put off local elections until a later date.

An irate Foreign Ministry promptly asked the prosecution to look into the case, which, by questioning relevant Foreign Ministry officials, concluded the document was doctored outside the Foreign Ministry.

Diplomat Said To Provide Document

SK2306122995 Seoul YONHAP in English
0954 GMT 23 Jun 95

[FBIS Transcribed Text] Seoul, June 23 (YONHAP) — Rep. Kwon No-kap of the Democratic Party asserted Friday the classified Foreign Ministry document he obtained and exposed in the latest issue of a local monthly was provided by an incumbent diplomat assigned to an overseas mission.

"But, I cannot identify this man to the end from the angle of protecting the source of information," he said.

Kwon said he cannot respond to the prosecution's summoning of him before next week's local elections because he said if he does, it may adversely affect his party candidates in the local elections.

The Seoul District Prosecutor's Office Friday again told Kwon to report to the prosecution Saturday morning and make himself available to the prosecution questioning of him as a witness in the case of document forgery.

A source said the prosecution are determined to question him by all means even by making, if necessary, him a criminal suspect in the forgery of an official document.

Burma

Thai Newspaper Analyzes Cabinet Reshuffle

BK2306085495 Bangkok THE NATION in English
23 Jun 95 p A6

[Article by Aung Zaw: "Military Reshuffle Points to Extended Stay for SLORC"]

[FBIS Transcribed Text] Pro-democracy forces in Rangoon have long believed that a power struggle among the top generals in the Burmese armed forces held one of their best hopes for change.

However, a cabinet reshuffle on June 15 suggests that the ruling SLORC [State Law and Order Restoration Council] junta is moving to rid itself of any cliques that might threaten its grip on power. This is the first reshuffle since September, 1992 when at least six powerful army commanders were appointed as cabinet ministers.

The latest members of the cabinet are six senior army commanders. One of them is army operations commander Lt-Gen [Lieutenant General] Maung Hla, who will head the newly-formed Immigration and Population Ministry. This is seen as a promotion for Maung Hla, who led the operations against ethnic Karen insurgents. Central region commander Maj Gen [Major General] Kyaw Than has assumed the post of light industry minister, while northeast commander Brig-Gen [Brigadier General] Aye Kyaw has taken over as information minister. It is believed that his predecessor, Lt Gen Myo Thant, was transferred to the prime minister's office.

Southern commander Maj Gen Soe Myint is the new social welfare, relief and resettlement minister, while eastern commander Maj Gen Saw Tun assumes the post of construction minister. Army quartermaster Lt Gen Min Thein has been appointed minister in the office of the SLORC chairman. Other appointments not announced in public include the designation of Col Khin Maung Than as Rangoon commander and Lt Gen Myo Nyunt as religious minister.

Some ex-army officers believe that the reshuffle signals a subtle transfer of power since SLORC chairman Gen Than Shwe and other top military officers are believed to be contemplating retirement. Whatever the case, no one can deny that SLORC has gained more confidence and is obviously preparing to stay in power for several more years.

A former army officer, who is now based in Thailand, suggested that the Tatmadaw [Defense Services] is even stronger than before. "They are a cohesive unit," he said. Former army captain Khin Maung, who joined U Nu's

resistance group in the 1970s said, "Never underestimate the Tatmadaw. The Burmese armed forces is one of the best in the region."

But Khin Maung Nyunt, who is among the few Burmese who graduated from West Point and was in the army for 12 years, stressed that Secretary One Lt Gen Khin Nyunt is the one who calls the shots.

"This is similar to Ne Win's system. Ne Win always relied on intelligence services," he noted. "Khin Nyunt's duty is to report what is happening to the country and to implement the senior officer's decisions," he said.

Nevertheless, he hastened to add that SLORC's current system has one slight difference from that of Ne Win. He suggested that SLORC may be practicing a "collective leadership system."

Obviously, the top leaders do not want regional commanders to stay in their respective areas of responsibility too long as they might be able to build a power base. This is totally different from Ne Win's system, although Khin Maung Nyunt said regional commanders are more powerful than ministers.

"SLORC's leaders are wary of regional commanders. They don't want them to form their own spheres of influence as this could lead to divisions," he said.

Many ex-military officers joined the 1988 democracy uprising. For instance, National League for Democracy chairman Tin Oo served as defense minister in 70's. Kyi Maung, who was interrogated recently, is a retired colonel. Most of the 30 army officers who received military training from Japan to fight the British during World War II are members of several resistance groups, including the Communist Party of Burma (CPB). Analysts said many of the elite military and intelligence officers who left the Burmese army when the civil war broke out in 1948 either joined the CPB, ethnic armed groups or U Nu's resistance group. Only one stayed behind; Gen Ne Win.

As to whether there is a split now in the Tatmadaw, Khin Maung Nyunt said this was just a rumor.

"Burma's generals will not tolerate any dissent," he emphasized. After SLORC took power in 1988, signboards appeared throughout the country and they all read: "No matter who tries to divide us, we will always remain united."

But Canada-based writer Myint Shwe said there are signs that SLORC's favorite slogan is wearing thin on some officers. In any case, democracy-seeking Burmese agree that change in the Tatmadaw is important. Many maintain the hope that liberal minded soldiers will be able to topple the hardliners.

Cambodia

Minister Welcomes U.S.-UK Land Mine Accord

BK2306060995 Hong Kong AFP in English
0521 GMT 23 Jun 95

[FBIS Transcribed Text] Phnom Penh, June 23 (AFP) — Officials in Cambodia, one of the world's most heavily mined countries, said Friday they were pleased with the announcement by the British Foreign Office that Britain and the United States had reached an agreement on a program to control the spread of anti-personnel landmines.

"The Royal Government of Cambodia gladly welcomes and supports the decision on anti-personnel landmines by the United States and Britain," said Information Minister Ieng Muli, who is also chairman of the Cambodian Mines Action Center (CMAC).

"Since Cambodia has suffered a lot from anti-personnel landmines, Cambodia is prepared to support any agreement controlling them," Ieng Muli told AFP, adding that his government was drafting a law to completely ban the use of land mines.

The proposals, announced in London on Thursday, include an end to the production and transfer of anti-personnel mines that cannot be detected and those which are set off by mine-clearance equipment.

"Our aim is to reduce the dangers to civilians from anti-personnel landmines by seeking international agreement to effective controls," said junior foreign office minister David Davis.

The proposals will be presented at an international meeting in Hungary next week which Ieng Muli is expected to attend.

The International Committee of the Red Cross (ICRC) has called for a total ban of the manufacture, sale and use of anti-personnel landmines saying they kill and maimed thousands of civilians each year.

Cambodia, which hosted an international conference on landmines earlier this month, has between six and 10 million mines buried within its borders, according to most estimates.

One in every 236 Cambodians, 200 to 300 per month, has either been killed or lost a limb to landmine explosion, according to ICRC estimates.

An ICRC official in Phnom Penh said that while the agreement between the US and Britain was "encouraging" it did not go far enough.

"The ICRC position is for a total ban, not just on landmines that are non-detectable," said Daniel Masse, deputy head of the ICRC delegation here.

"This is definitely a positive step, but it appears to give the position that these governments are not ready for a total ban, only for a partial phase-out.

'Commission' Reports on 1973 U.S. War 'Crimes'

BK2306085595 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 22 Jun 95

["Report by the commission to investigate the U.S. war of aggression killing the Cambodian people from 1970 to 1975, dealing with the massacre of the Cambodian people at Neak Luong in Prey Veng Province in 1973"; dated 24 May 1995 — read by announcer]

[FBIS Translated Text] Our commission would like to report on the enormous crimes committed in a most cruel and barbarous manner by the U.S. imperialists in massacring the Cambodian people in whole families and whole villages at Neak Luong in Prey Veng Province in 1973 as follows:

At 0030 on a night in 1973 while the people everywhere were sound asleep, the U.S. aircraft, the B-52's, cruelly and barbarously dropped bombs on Neak Luong township and the villages adjacent to the market along the bank of the Mekong River.

Next morning, Neak Luong market, which was then named by the Thy-Ky Vietnamese as the second Saigon where there used to be busy movement of people, cars, and motorboats became quiet town.

In the market and various villages, there were only (?huge) bomb craters. Houses, market places, temples, hospitals, schools, and public buildings were all destroyed. Corpses of human beings and animals charred and deformed beyond recognition were scattered about. Some corpses had only arms, legs, fingers, or toes left. Some other corpses were still burning. Small bits of flesh of some corpses were seen hanging on the trunks of coconut and mango trees.

This bombing by the U.S. aggressors caused huge losses to the lives and property of the people in Neak Luong. That is:

1. It killed a total of 3,762 innocent Cambodians, including 43 monks, 724 children, 106 aging people, 57 nuns, and many women; wounded 752 others, including 74 with amputated arms, 32 with amputated legs, 12 who went blind, eight who [word indistinct], 12 who became deaf, and 31 [words indistinct]. Among those killed were all members of 118 families.

2. It burned down 1,458 houses of the people, including 118 houses disappeared in the bomb craters; destroyed four primary schools made of brick and being two

storeys high and with 52 rooms, two two-storeyed junior high schools with 36 rooms, two temples — including two preaching halls, two dining halls, a pagoda library, and nine living quarters — a Buddhist primary school, and a 18-room hospital. The entire Neak Luong market was burned to the ground. Also ruined to the ground were 362 hectares of corn, beans, potatoes, and banana plantations. It killed 1,643 oxen and thousands of pigs and fowl. Two ferryboats across Neak Luong River, 26 cars, 42 motorboats, 703 boats, 41 motorcycles, many bicycles, and 653 ox-carts were sunk.

The genocide committed by the United States in Cambodia from 1970 to 1975 was atrocious, cruel, and barbarous. This crime was worse than what the United States did in massacring the aboriginal American Indians and blacks. It was similar to what the Vietnamese did in massacring the Chams in Champa [ancient kingdom of the Chams in central coastal area of Vietnam] and the Khmers in Kampuchea Kraom [ancient Cambodian territory lost to Vietnam in the 17th century].

Are all these barbarous acts the respect for human rights claimed by the United States?

Are the barbarous acts committed by the United States in Cambodia and in Hiroshima the killing and destruction of mankind? Are they the use of a big country's right to commit aggression and massacre the small countries, which are less populated and weaker to be able to control those countries politically and economically? Are these acts what the United States itself has claimed as being an expansion of its so-called democratic doctrine?

Hardly had the victimized Cambodians wiped out their tears and as the wounds and the bomb craters caused by the criminal hands of the U.S. aggressors have not yet been healed and covered up, the U.S. imperialists — the criminal ringleaders — and their alliance have come to join with the communist Vietnamese — aggressors and exterminators of the Cambodian race — in kindling the communist Vietnamese war of aggression to continue massacring the Cambodian people.

In such a situation, the Cambodian people who used to suffer at Neak Luong and the people in other areas join hands with the Provisional Government of National Union and National Salvation of Cambodia to attack and drive all villainous alliance and communist Vietnamese aggressors out of Cambodia.

The Cambodian people have never committed aggression against the United States. Therefore, the United States, France, and Australia must put an immediate end to the communist Vietnamese war of aggression. If you insist on joining hands with the communist Vietnamese

aggressors and race exterminators to continue kindling the war to kill the Cambodian people, you will face the same fate as all those U.S., French, and Vietnamese aggressors who had been successively defeated in the past by the Cambodian people. Therefore, you must not complain, because it is you who are the instigators.

Made in Kong Pisei District of Kompong Speu Province on 24 May 1995.

[Signed] (Kong Sophal), secretary general of the Commission to Investigate the U.S. War of Aggression killing the Cambodian people from 1970 to 1975.

Chea Sim Announces Rangsi Removal, Replacement
BK2206152595 Phnom Penh National Radio of Cambodia Network in Cambodian
1300 GMT 22 Jun 95

["Statement" by Chea Sim, chairman of the National Assembly of the Kingdom of Cambodia, in Phnom Penh on 22 June — read by announcer]

[FBIS Translated Text] On behalf of the National Assembly of the Kingdom of Cambodia, His Excellency [H.E.] Loy Sumchheang, first vice chairman of the National Assembly, made an announcement on 22 June to inform the fourth session of the National Assembly's First Legislature of the removal of H.E. Sam Rangsi as an MP [member of parliament] of Siem Reap constituency. H.E. Sam Rangsi is now replaced by H.E. Nu Sangkhan, who is a member of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party.

With regard to the announcement, I would like to inform the national and international communities as follows:

As already said in my 10 June statement, I, in my capacity as the chairman of the National Assembly, have pledged not to (?do) anything contrary to the Constitution, the National Assembly's internal regulations, (?electoral) law, the fundamental basics of a liberal democracy, and respect for human rights.

It is in this spirit that after receiving letter No. SP/48/PC dated 22 May 1995 from the FUNCINPEC Party, I meticulously pondered and consulted with national lawyers both in and outside the National Assembly. Along with this, I also consulted with the National Assembly's Standing Committee at the 19 June meeting. The committee, with a majority of voices, gave me the right to decide in keeping with my duty as the chairman of the National Assembly of the Kingdom of Cambodia and in agreement with (?Article) 52 of the assembly's internal regulations.

On the removal of H.E. Sam Rangsi from the FUNCINPEC Party, I would like to point out that this is the party's internal affair. Neither the National Assembly nor I can intervene.

As for the request by the FUNCINPEC Party to remove H.E. Sam Rangsi as Siem Reap Province's MP and replace him with H.E. Nu Sangkhan, I can in no way refuse to consider it because the Paris 23 October 1991 peace accord on Cambodia, especially Annex 3 concerning the elections and electoral law which was adopted by the Supreme National Council, requires a proportional representation system election, not a single ballot system one. The election candidate should link himself with his political party. This is the basic foundation of the relationship between the member of a party and his receiving of a National Assembly seat. Moreover, as a result of the general elections in May 1993, parliamentary seats have been proportionally allocated to the political parties according to the numbers of votes they have received from the people. Therefore, 58 seats have been allocated to the FUNCINPEC Party, which has sent its representatives to the then constituent assembly, now the National Assembly of the Kingdom of Cambodia.

As H.E. Sam Rangsi has already lost his party membership, the FUNCINPEC Party needs to claim back the seat so it can be given to H.E. Nu Sangkhan.

For this reason, the assembly's Standing Committee, the National Assembly, and I need to take action according to our duty and competence.

In fact, I have received several letters of protest from H.E. Sam Rangsi and advice from the international community on the removal of the Siem Reap constituency's seat from H.E. Sam Rangsi. However, Article 117 of the Constitution clearly specifies that only the Constitutional Council has the right to decide on an electoral conflict and the interpretation of the Constitution and other laws are adopted by the National Assembly.

In this case, H.E. Sam Rangsi is fully entitled to protest to the Constitutional Council, when it is set up, if he is not satisfied with the action taken with regard to the seat.

The National Assembly's customary procedures require the National Assembly chairman to make an announcement informing the assembly about the outgoing MP and the new MP without debate and adoption by the entire National Assembly.

Availing myself of this opportunity, I would like to underline that this is one of the special characteristics of the Kingdom of Cambodia's National Assembly, which has transformed itself from a constituent assembly and

which is the achievement recorded with the support and assistance from the international community.

We cannot do anything beyond the framework of our effective state law and our National Assembly cannot bow to an individual view or [word indistinct] model of any country.

The action taken in accordance with the effective state law does not mean a rejection of the fundamental basics of a liberal democracy and respect for human rights. On the contrary, this serves to strengthen the basic foundation of these principles with a view to building the Kingdom of Cambodia as legal state, which represents the common desire of the Cambodian people and the international community.

The National Assembly of the Kingdom of Cambodia is always prepared to effect good cooperation with parliaments, international and nongovernmental organizations, and associations of various countries the world over.

Phnom Penh, 22 June 1995.

Journalist Group Denies Rumors of CPP Funding

BK2106135195 Phnom Penh PHNOM PENH POST in English 16-29 Jun 95 p 3

[Report by Jason Barber]

[FBIS Transcribed Text] The League of Cambodian Journalists (LCJ), started by a group of primarily pro-government newspapers, says it will accept political parties' donations as long as there are no strings attached.

But LCJ president Chum Kanol has denied widespread rumors that the CPP [Cambodian People's Party] already pledged money.

Kanol early this month led a breakaway group of newspapers from the Khmer Journalists Association (KJA) to form the LCJ.

The new group's provisional management committee comprises Kanol, who writes for Koh Santepheap, the editor of Reaksmei Kampuchea, two Cambodia Times staff and the editor of the Interior Ministry's magazine.

The league has proclaimed itself to be a "neutral, independent" association of journalists.

Asked whether the LCJ would seek funding from political parties, Kanol said: "As president of the league, I would like to declare that I will accept all money that is given me freely, (without) pressure or conditions."

Asked whether some of his members had met CPP officials at the house of party leader and Second Prime

Minister Hun Sen the day the LCJ was formed, Kanal said rumors of that were not true. The Post's interview with Kanal was then abruptly terminated by LCJ vice-president Uk Kimseng, of the Cambodia Times.

The LCJ claims a membership of 32 publications, radio and television stations, though the KJA questions that. Both organizations claim the membership of government-owned media such as Kampuchea newspaper and the AKP news agency.

But at least eight LCJ members are confirmed defectors from the KJA, and another five unaligned newspapers were among the first to join the LCJ.

The drama began on Friday June 2 at a meeting of the KJA's ethics committee when Kanal, the committee chairman, announced his resignation for "personal reasons". The next morning, Kanal's Koh Santepheap reported that he had resigned because of KJA management "irregularities" and that he would form the LCJ.

KJA president Pin Samkhon maintains that, as of Saturday morning, most of his members had expressed loyalty to the KJA. But by that night, some seven more newspapers had left.

He said he believed there was "pressure" for some newspapers to leave, but would not elaborate.

Since then, LCJ members have published repeated attacks on the KJA and Samkhon alleging financial irregularities. The KJA has about \$350,000 of funding over two years from USAID [U.S. Agency for International Development]. The money is administered by the Asia Foundation.

Samkhon has since asked the foundation to get an independent audit of the KJA to settle the allegations.

Asia Foundation resident representative, Jim Klein, said the KJA's funding was subject to strict financial reporting. Much of the money was administered directly by the foundation, and the rest paid to the KJA on a three-month basis. "Nobody got a wheelbarrow full of money that they don't have to account for," said Klein.

The LCJ's establishment follows long-standing sniping at Pin Samkhon from some quarters, and internal KJA disagreements over newspapers which are prosecuted by the government.

Samkhon has previously acknowledged that the KJA's membership included journalists who believe that "if you write something bad, you must go to jail." He said last week that some of those who had left the KJA did not understand his support for newspapers which ran into trouble from the government.

Sihanouk Plans Medical Checkup in Beijing

BK2206034895 Phnom Penh REAKSMEI

KAMPUCHEA in Cambodian 22 Jun 95 pp 1, 2

[FBIS Translated Text] During a meeting on 19 June with his subjects who came from three Phnom Penh wards to visit him, His Majesty King Norodom Sihanouk said he asked the permission of his children all over the country to go to Beijing on 29 June for another cancer checkup.

His majesty also said that the decision to travel on 29 June was made on the advice of his Chinese doctors, who have insisted that he needs to undergo a checkup at the Chinese hospital in Beijing every three or four months, although he is cured of cancer, to thwart in due time the attack by any other secondary diseases.

His majesty went on to say that this medical checkup in Beijing will not last long. It will take about one month, that is, starting from 29 June, he will be away for the whole month of July before coming back to stay with his subjects.

His majesty stressed that during 1995 he will get his medical checkup in Beijing in July, and he will go to Beijing again by the end of September. He and the queen will make every effort to return home in time for the celebration of his birthday in October 1995.

During the audience, his majesty and the queen donated gifts from their own funds to 484 needy families from three wards — 164 from Meanchey, 158 from Dangkao, and 162 from Russei Kev. Each family received 15 kg of rice, one mosquito net, one blanket, one scarf, four cans of canned fish, five packets of instant noodle, a bundle of clothes, and 10,000 riels.

It is to be noted that his majesty the king returned to Phnom Penh from his previous medical checkup in Beijing on 5 April.

Official Discusses Damage to Rail Lines by KR

BK2206152295 Hong Kong AFP in English

1155 GMT 22 Jun 95

[FBIS Transcribed Text] Phnom Penh, June 22 (AFP) — Khmer Rouge-laid landmines have seriously damaged rail lines between Cambodia's capital and the north-western city of Sisophon, cutting train services between the two cities, the director of the Cambodian railway system said Thursday.

The outlawed guerrillas have increasingly targetted rail lines since the beginning of the month. Pich Kimsreang told AFP, adding that the Phnom Penh-Sisophon line had been severed since June 14.

The rebels had blown up two bridges in the western province of Pursat and in the northwestern province of Battambang, he said.

More than 300 metres of railway tracks had been destroyed in the past eight days, he added.

"Now our train between Phnom Penh and Sisophon cannot operate," Pich Kimsreang said. "We do not have the manpower to repair the damage that the Khmer Rouge have done."

The Khmer Rouge have nightly laid 88 mines made from fertilizer and fuel oil along the same targetted 55 kilometers (34.3 miles) of the approximately 350 kilometres (218 miles) of track between the two cities, he said.

Already 62 have exploded and caused significant damage, he said, adding that the current attacks were having major effect on the importation of cement from Thailand.

Khmer Rouge Kill 2 in Baray District 18 Jun

*BK2206120795 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 22 Jun 95 pp 1, 11*

[Report by Visal and Peyatro]

[FBIS Translated Text] A group of 30 to 40 gunmen, suspected of being Khmer Rouge [KR] bandits and all armed with AK assault rifles and B-40 rocket launchers, attacked and robbed the working sites of the KCMKK and MAEDA [expansion unknown] companies at Phnum Del village, Cheung Chhnok commune, Baray District, Kompong Thom Province, 46 km northeast of Phnom Penh, on the night of 18 June. Two of the companies' workers and guards were killed and two others wounded.

Sokha, a member of the MAEDA drivers team and a victim currently receiving treatment for numerous wounds at the Calmet hospital in Phnom Penh, witnessed the incident and told REAKSMEI KAMPUCHEA about the raid. He said at 2100 as all workers were preparing to go to sleep in the company enclosure illuminated by high-beam lights, KR forces appeared from the north and south. They cut openings in the wire fences and crawled in while firing two B-40 rockets and many rounds of ammunition. During the raid, some 40 KR troops, some coming from a hill in the direction of a nearby military camp and some from other directions, were seen firing at a mechanical repair shop, instantly killing a worker and a guard of the KCMKK company.

Afterward, the KR group moved into the MAEDA company living quarters and forced all guards to open their

rooms. They robbed them of their watches, cash, cassette recorders, and clothing except for their underwear.

The raid and robbery lasted 15 minutes. The KR made off with US\$599, 150,000 riels, three watches, a cassette recorder, a field radio, many sets of clothing, and a significant quantity of food before retreating toward the west and south.

The victim added that only 30 minutes after the departure of the KR, a group of 15 Batheay District policemen, whose camp was 400 meters from the scene of the incident, and soldiers, whose camp was adjacent to the MAEDA company, approached the site.

The deputy police chief of Muk Kampul District (which borders Batheay and Baray Districts) said the raid had been staged by some 40 KR elements from the 560th regiment of Division 785 active in the Boeng Bat Khteah area at Tuol Kouk Dong village in Batheay District. These forces were now under the command of Se and Nay after the death of their commander Prok and the capture by the Khmer Royal Armed Forces of Prum Kheng.

According to the deputy police chief, the KR retreated after the raid to the north toward the Boeng Bat Khteah area where thick shrubbery is plentiful.

Kev Sali, chief of the MAEDA working site for the construction of Road 6A, told REAKSMEI KAMPUCHEA on 21 June that the attack occurred because no soldier assigned to protect the site was on duty. It was not known where they were stationed, as they told no one.

Luckily, the raid took place on a Sunday when almost all workers were at home. If it had been a normal working day, many more would certainly have been killed or wounded.

Kev Sali added that an unknown quantity of equipment and machinery, including four dump trucks, a crane, a tank truck, and four small passenger cars, belonging to the MAEDA company were burned or destroyed.

Indonesia

Alatas Discusses Natunas, East Timor Refugees

*BK2206130995 Jakarta SUARA PEMBARUAN
in Indonesian 21 Jun 95 p 1*

[FBIS Translated Text] Jakarta, 21 Jun — Foreign Minister Ali Alatas said that Indonesia has formally asked the Chinese Government to clarify the placement of the Natuna Islands (Riau) on its map, which indicates that the island is part of Chinese territory. However, to date, the Chinese Government has not responded with any formal note. Hasyim Jalal, roving ambassador of the

Republic of Indonesia in charge of the Law of the Sea, made the same statement in Denpasar, Bali on Monday, 19 June (PEMBARUAN 20 June).

Alatas was responding to members of the Parliamentary Commission I [Roman numeral one] [dealing with foreign affairs, national security and information] at a working meeting in Jakarta on Wednesday morning, 21 June. The members had asked Alatas to explain the matter and the next steps to be taken following the Chinese inclusion of the Natunas on its map.

The foreign minister added that one of the PRC officials said this is a strange issue and that the Chinese Government would need some time to study the Indonesian Government's request. The PRC official also expressed hope that the two countries can exchange ideas on the issue.

The official is confident that Indonesia and China will reach a mutual understanding, considering Indonesia is not one of the claimants to the Spratly Islands.

Alatas said the latest development, and in several articles, showed that China had placed the Natuna Islands within broken boundary lines on a map of its territory in the South China Sea. Indonesia's territorial waters around the Natuna Islands had been included in the map.

The illustrative map did not clearly depict China's claim to the Natunas, but only showed lines that had been grouped together into nine lines.

Answering a question from Hasan Sazili, deputy chairman of the Parliamentary Commission I, Alatas said that in principle, the Australian Government was willing to grant refugee status to the 700 East Timor citizens if they were not protected by the Indonesian Government or Portugal.

But Indonesia did not put any pressure on them, so the Australian Government has been urged to handle the matter wisely to prevent any abuse of refugee status. Australia had been asked not to set the precedent of granting refugee status to them because this will cast doubts for the Indonesian Government, which will think that the Australian Government considers bilateral relations between the two countries a secondary matter. The current bilateral relations between Indonesia and Australia are very good.

Alatas said Australia was aware of the possibility that refugee status can be abused. However it is difficult to prevent people from requesting it so long as the regulations on refugee status in Australia have not been changed.

Alatas Comments on East Timor Dialogue

*BK2206105095 Jakarta SUARA KARYA
in Indonesian 22 Jun 95 pp 1, 3*

[FBIS Translated Excerpt] Jakarta, (SUARA KARYA) — The All-Inclusive Intra-East Timorese Dialogue, AETD, should only be held once because if several dialogues were to be held, then the anti-integration groups will take advantage of the situation. This was among some other considerations expressed by Foreign Minister Ali Alatas during a working session he held with Parliamentary Commission I in Jakarta on 21 June.

In connection with this, Alatas said the consideration will be included in the sixth tripartite dialogue — sponsored by UN Secretary General Butrus Butrus-Ghali — he is scheduled to hold on 8 July in Geneva with Portuguese Foreign Minister Jose Manuel Durao Barroso. There will also be discussion on whether there will be need to hold a second AETD. Alatas added that no new proposals will be submitted to Barroso during the upcoming tripartite meeting.

Speaking in Dili on 20 June, Maria L.V.C. Quintow, vice chairman of the East Timor Provincial Legislative Assembly, said no definite decision has been reached regarding the proposed second AETD in Dili.

He said: "Such a proposal was made spontaneously by one of the participants to the EATD. Therefore, such a proposal was not a final decision. The central government has not made a hasty decision in selecting the venue." Similar to the statement by Alatas, Quintow said the final decision to hold another AETD will depend on the outcome of the 8 July meeting in Geneva."

Key to the Problem

Responding to a question by the commission regarding the East Timor issue, Alatas said the major obstacle toward settling the East Timor issue was provocation and intimidation conducted abroad by the anti-integration groups.

He said: "The youths were provoked and enticed by some persons ... and then the authorities reacted, sometimes excessively. Such a reaction has prolonged the case. The case was compared with the riddle of 'the hen and its eggs.'"

As such, Alatas said that should the scheduled 8 July tripartite dialogue fail to accomplish any results, Indonesia should then reconsider the issue. Alatas explained: "The settlement of the East Timor issue rests with the East Timorese themselves. What I mean is, if we can accomplish a situation where development and the economic situation have shown continuous

improvement and we are not exposing ourselves to allegations of human rights abuse, then incidents such as the Liquica and the November 1991 tragedies would not happen. People will have no reservations regarding East Timor."

Alatas added that if such a situation exists, then no country — not even Portugal — will be able to cast doubts regarding East Timor.

According to Alatas, Portugal is involved in the settlement of the East Timor issue because without Portugal, Indonesia will be in absolutely no position to solve the issue alone.

He said: "In Portugal the president, prime minister, and the socialist, communist, and social democratic parties are still debating the issue. They still remain uncertain regarding their position."

In the working session, Alatas reiterated that Indonesia will stand steadfast on the question of East Timor. He said: "We will absolutely not budge one step in connection with the question of East Timor being an integral part of the Republic of Indonesia. This is very obvious." [passage omitted on Udayana 9th Regional Commander's statement on East Timor issue]

Editorial on Sudomo's Comments on Succession

95SE0138D Jakarta KOMPAS in Indonesian
4 May 95 p 4

[Untitled editorial]

[FBIS Translated Text] Discussion of the succession issue subsided some time ago after having been quite lively. Generally, people agreed with the view repeatedly expressed by Bung Harmoko, general chairman of the GOLKAR [Functional Group] DPP [Central Executive Council]: The succession issue should be submitted to the MPR [People's Consultative Assembly] General Session for discussion at the proper time.

That does not mean the question has ceased being discussed. It remains a subject of discussion, but at the personal level. It is an object of speculation or gossip.

The issue of succession has now come to life again. The reason, or *casus belli*, was a statement to the press by Supreme Advisory Council [DPA] Chairman Sudomo. He also remains of the opinion, generally held by officials, that there is no need to raise the issue of succession, because there are already a mechanism, system, and clear prerequisites.

Pak Domo [Sudomo] continued, "The same is true of the next vice president. The matter should be submitted to the MPR, and I know for a fact that from the

beginning Pak Harto [President Suharto] has basically always wanted a vice president from civilian circles."

It was this last part of the DPA chairman's statement that has invited a variety of comments. The question immediately emerged: Was Pak Domo's statement a slip of the tongue or a trial balloon?

For quite a long while, the former PANGKOPKAMTIB [commander of the Command for the Restoration of Security and Order], known for easily making comments and for his closeness with reporters, had chosen "silence is golden." Now that he has once again made a comment, why did he choose a topic so taboo in the current development of political culture and courtesy?

Of the various reactions that have emerged, the comments of Prof. Dr. Emil Salim are viewed as among the strongest: We have been free for 50 years. I think the people are mature enough to choose the best leader. Cannot the 150 million people of Indonesia put forward one or two of their best sons?

The issue has been brought to its most basic but controversial form. The subject that we say invites controversy or difference of opinion is the meaning of "maturity of the people."

The argument is strong, for it has historic precedents and analogies. In the independence movement, differences of opinion emerged between those who felt the people were not mature enough for independence and those who were sure the people were mature enough.

Experience has proved that the views and convictions that the people were mature enough for independence were correct.

In the subsequent development of an independent Indonesia, however, differences of opinion as to the maturity of the people reemerged in connection with a variety of big issues. In fact, the differences still exist.

It is not a matter of being mature enough for independence or not. That is as clear as black and white, but other matters more complex and with more nuances are not as clear as black and white.

The development of culture and manners that exclude discussion of the succession issue outside the MPR has probably been somewhat affected by, besides other things, the existence of differing opinions about the maturity of the people.

In fact, the views and attitudes expressed in Prof. Emil Salim's comments can actually be viewed as not entirely consistent. This is the case in his opinion that people do not need to make preparations.

Quoting him: "Was Bung Karno [former President Sukarno] readied? Was Pak Harto readied? There were no such things. If history requires, the best will come to the front. Thus, there is no need to set prerequisites, for there were no prerequisites in the past."

To be fair, it should be added that, first, Prof. Emil Salim stated that civilians need not prepare themselves hastily because of what he had said. It is perhaps in that spirit that the statement of the economist and environmental activist should be interpreted. Do not then be puffed up with inappropriate feelings of greatness.

Outside that context, are not preparations for succession and the readying of national leaders logical things. There is a difference from the past. In the past, transfer was accompanied by crisis situations. The term "wings of history" applied to those situations. Crisis created its own leaders.

Now, everything is stable and under control, far removed from crisis conditions, although fluid situations reportedly exist here and there. Overall, however, conditions are stable and under control.

Under these conditions, everything, including economic development, requires preparation, planning, etc. It is logical that a most important matter, such as transition of central authority, should require preparation.

The question is whether such preparations should be open, with all sides contributing opinions openly; or whether they should be closed, with all sides manifesting the sovereignty of the people by making contributions. Those contributions and discussions would be closed, except at the proper time in the MPR General Session.

In this matter, there are differences of interpretation and therefore differences of opinion. There are those who hold the view that everything should be open. That is the way the sovereignty of the people is interpreted in substance and process. There are those who hold the view—and this view is held primarily among people in the "suprastructure"—that everything should be totally discreet. Everything would be open only at the proper time in the MPR general session.

Coming back to the main point, the maturity of the people, it is clear that, as Prof. Emil Salim said, everything must still be agreed upon with regard to details, understanding, realization, and actions. Everything is still at the stage of struggling for understanding and agreement, which must constantly grow in accordance with developments of the times.

What about Pak Domo's statement, "And I know for a fact that from the beginning Pak Harto has basically always wanted a vice president from civilian circles."?

There are empirical precedents. The first vice president under President Suharto's leadership was Sultan Hamengkubuwono IX. The second was Adam Malik. For the third, a civilian was nominated first. When for various reasons his election did not take place, General, retired, Umar Wirahadikusumah was nominated. He was followed by Lieutenant General, retired, Sudharmono and, now, General, retired, Try Sutrisno. Empirical precedents for both categories are facts.

Therefore, a more detailed question arises: How does Pak Domo interpret Pak Harto's opinion about vice presidential candidates from civilian circles? Does he understand it in a general or categorical way, but in the past; or in a current and explicit way for the present or recent past?

Meanwhile, the thought is developing: What is the case with civilian candidates and ABRI [Indonesian Armed Forces] candidates? Because both President De Gaulle and President Eisenhower were retired but still in the political systems in effect in their countries, they were civilian presidents, although both were formerly top generals.

What about ABRI retirees in our political system, which uses the Dual Function. Are they civilian or ABRI? In our political system, with its Dual Function, there is a middle road: Retirees remain within the ABRI family, for in the current phase of development this position is viewed as strengthening ABRI as a pillar of unity, a stabilizer, and a provider of dynamics.

On the other hand, and especially because of the Dual Function, the political position of ABRI retirees in strategic positions is accepted without discrimination.

The reactions that are emerging show that this view and its acceptance are in effect. The criterion is not origin but that he be the best son.

Finally, where do we place the statement by the DPA chairman? As a neutral comment with reference to the past, or as a trial balloon?

Central Bank Governor on Foreign Debt Burden

*BK2306020895 Jakarta SUARA PEMBARUAN
in Indonesian 21 Jun 95 pp 1, 19*

[FBIS Translated Excerpt] Jakarta, 21 June — The burdensome foreign loans resulting from the yen appreciation have not reached a worrisome level yet because the loans have been reduced through the rearrangement of the composition of foreign exchange in yen

currency and through the interest rate swop [preceding three words in English]. As at the end of April 1995 and according to current temporary statistics, Indonesia's foreign loans amount to U.S.\$94.4 billion or an equivalent of 46 percent in terms of yen currency.

Sudrajad Jiwandono, governor of the Bank of Indonesia, stated this during a working session with Parliamentary Commission VII [Roman seven] on Wednesday [21 June].

He said Japan is Indonesia's major donor country. The actual amount of foreign loans taken out by the government has amounted to U.S.\$64.8 billion while the private sector is accountable for the remainder of the foreign loans.

He said: "As at the end of April 1995, the amount of the government's foreign loans in yen currency stands at approximately 46 percent while the loans taken by the private sector were considered relatively small." Indonesia received a major portion of its foreign loans from the Japanese Government and financial institutions.

He added that the interest rate on Japan's long-term loans was evaluated as much lower (by about 2 to 3 percent) compared to the interest rate imposed by some other countries or financial institutions namely, the Asian Development Bank and the World Bank. However, all the loans provided by Japan have relatively long grace periods [two preceding words in English].

As a result of the yen appreciation against the dollar during the 1994/95 period, the government will definitely find it difficult to repay the capital sum of the loans and the interest accrued. However, considering the fact that most of the foreign loans given to Indonesia were in yen currency and repayment spread over a relatively longer period, the government will only face the commitment of settling the smaller loans due to the yen fluctuation and also the maturity of the grace period.

Responding to a question regarding the impact of the yen appreciation on foreign reserves, the Bank of Indonesia governor explained that the Bank of Indonesia has embarked on appropriate measures to secure its reserves by placing several pertinent compositions of its reserves in various major foreign currencies.

He added that apart from monitoring the development of foreign exchange rates, the bank also made appropriate allocations of its reserves in major foreign currencies. It is also continuously monitoring the exchange rates of the various foreign currencies.

According to Sudrajad Jiwandono, the government's reserves now amount to about U.S.\$13.4 billion and the

amount has been stocked in various major foreign currencies. However, should a loss be accounted for as a result of the decline in one of the major foreign currency exchange rates, then this loss can be neutralized. [passage omitted on periodic consideration given regarding investment of reserves in yen currency]

Former Religion Minister Views Revival of Islam

95SE0143A Jakarta KOMPAS in Indonesian
30 May 95 p 9

[FBIS Translated Text] Jakarta (KOMPAS)—The form of religious revival in the Islamic community in Indonesia is different from that in other countries. While in many Islamic countries, the revival is marked by the emergence of radicalism and extremism, in Indonesia it is in the form of increased compliance with religious rituals.

Former Minister of Religion Dr. Munawir Sjadzali said this Monday, 29 May, in Jakarta during the first day of the "Conference on Religion and Society in the Modern World: Islam in Southeast Asia." The conference, which is to last three days (29 to 31 May), is being held through cooperation among LIPI [Indonesian Science Institute], Syarif Hidayatullah IAIN [State Islamic Institute], and AMINEF (American-Indonesian Exchange Foundation).

The first day of the conference featured as speakers Dr. Richard C. Martin (Arizona State University), Dr. John R. Bowen (Washington University), Dr. Howard M. Federspiel (Ohio State University), and Dr. Sharon Siddique (Singapore).

"This phenomenon is seen clearly among bureaucrats, political leaders, and businessmen, who in the past rarely visited mosques. It has now become something of a fashion to take part in Friday services," said Munawir, who is now a member of the Supreme Advisory Council (DPA) and the National Commission on Basic Human rights (KOMNAS HAM).

According to Munawir, the revival of religion in the Islamic community in Indonesia is also marked by outstanding growth of Islamic study groups backed by students. "Another sign is the increasing number of Muslim pilgrims from Indonesia year by year. In 1984, there were only 50,000 pilgrims. This year, for the first time, Indonesian pilgrims, who numbered about 200,000, exceeded their quota," he added.

Learning From History

The reason for the difference in the form of Islamic revival is the road taken by the Indonesian Islamic community. Munawir feels that the Islamic revival

in Indonesia has been spurred by a political event—the G30S/PKI [30 September Movement/Indonesian Communist Party]. That terrible experience reawakened Muslims to the need to return to Islamic values and to reject unethical politics and violence.

This rejection of radical and extreme movements was demonstrated by the absence of any extensive reaction to the Tanjungpriok Incident of 1984. Munawir explained that not long after that incident, he, at that time minister of religious affairs, visited the 13 provinces expected to erupt with movements sympathizing with the Tanjungpriok Incident.

"It turned out that my worries were unfounded. No loud echoes of that incident were heard. In fact, there was no reaction at all in the provinces that were known in the 1950's as bases of Islamic uprising," Munawir said.

Members of the Indonesian Islamic community, Munawir said, have learned from history that violent uprisings only isolate their provinces and put them in a negative light. Meanwhile, he added, the Tanjungpriok Incident taught that poverty, injustice, backwardness, and helplessness are the things most easily manipulated by extreme movements.

Munawir explained that although radicalism will never receive support from the Indonesian Islamic community, that does not mean extremism does not exist. It is simply that the definition of "extreme" is different from its usual meaning in Western terminology.

There are two types of extremism in Indonesia. The first, Munawir said, is driven purely by religious motivations. People who do not agree with the general understanding of religion in the community form a group of people with the same understanding. The second type consists of individuals disappointed in politics who want to reenter the political arena with an extreme Islamic view, which usually quickly draws the sympathy of students, especially those in nonreligious schools and universities.

"This is understandable, since their understanding of Islam is usually limited. They have confidence in their own authority to interpret Islamic teachings. They consider their interpretation to be the ultimate truth," Munawir said.

Minister Sees No Urgency for Nuclear Power

95SE0143B Jakarta KOMPAS in Indonesian
29 May 95 p 3

[FBIS Translated Text] Pontianak (KOMPAS)—Although petroleum reserves are beginning to thin out, there is no pressing need for the near future to build a PLTN (nuclear electric power plant) in Indonesia as an alternative. Besides possessing oil, Indonesia also has

large reserves of coal and natural gas that can be used as alternatives.

Minister of Mining and Energy I.B. Sudjana said this Saturday, 27 May, in Pontianak in reply to a press question after opening the Art, Science, and Technology Fair being held by students at the Engineering Faculty of Tanjungpura University (UNTAN) at Pontianak. West Kalimantan Governor H. Aspar Aswin and UNTAN Rector Prof. H. Mahmud Akil, S.H. [Master of Law], attended the program and presented remarks.

The minister said that if a PLTN is intended as an alternative to PLTD's [diesel electric power plants], the time is still far off. According to the president's instructions, the use of nuclear power for generating electricity is the final alternative. "If, however, the purpose of building a PLTN is to transfer technology, there is no problem in doing it with a limited capacity," Sudjana said.

According to the minister, Indonesia now has about 36 billion tons in coal reserves. If on average about 100 million tons of coal are used each year to generate electricity, existing coal reserves will last for 360 years. There are also natural gas reserves, and new reserves will be formed during that period. "Thus, there is no need to be in a hurry to make nuclear power an alternative for generating electricity in the near future," he said.

Wisely

On Sunday, 28 May, in Banda Aceh, the minister of mining and energy said that the development and exploitation of natural resources in Indonesia are being done wisely and in connection with the concept of continuous development. This concept gives most attention to environmental conservation. In an academic lecture on "environmentally oriented management of natural resources" at Syiah Kuala University at Banda Aceh, he said that the concept of continuous development is very important, because it provides a reference for action, especially in connection with the development and use of natural resources.

He said that generally the development and use of natural resources are now considered as destructive to the environment. The issue of global warming emerged because of massive use of fossil energy, primarily coal and petroleum.

The level of use of fossil energy in the developed countries is still very much higher than in the developing countries. Developed countries that have been using it since the industrial revolution now worry about the rate of growth of fossil energy use in the developing countries. The developing countries need fossil energy to

support their transformation from agrarian to industrial nations. They need the value-added created in the industrialization process to eliminate poverty and thus improve the welfare of their peoples.

According to I.B. Sudjana, from the aspect of operations, the development of natural resources with attendant attention to environmental conservation is done by bringing external costs, meaning all the costs of preventing negative environmental impact, into the marginal cost structure. Through this internalization of external costs, actions to prevent negative environmental impact become an inseparable part of the cost of developing and using natural resources, which could, of course, result in reduced profits or higher prices.

Although this internalization of costs becomes an additional burden to producers and consumers, it will be a net benefit to society at large through a preserved environment. In addition, the more efficient use of natural resources and the guarantee of their availability in the long term encourages the use of clean and economical technology.

He said that the addition of external costs and the economical and affordable provision of clean technology to prevent negative impact are not difficult and are easy to apply in Indonesia. The purpose of using clean coal technology is to obtain coal of a quality that is friendly to the environment.

Commander Discloses Plan To Buy British Jets

BK2306084995 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 23 Jun 95

[FBIS Translated Text] Even though Indonesia relies on its political diplomacy, the country also believes in the need to deploy military forces to cope with any possible threat from its northern border. Air Commodore (Landar Siloy), commander of Yogyakarta's Adisucipto Air Base, said one of the measures taken by ABRI [Armed Forces of the Republic of Indonesia] to cope with such a threat is to purchase 24 Hawk 100 and Hawk 200 jetfighters worth 1.38 trillion rupiah from Britain. The jetfighters are scheduled for delivery in June 1996. He added the jetfighters will be based in Pakan Baru, Riau province, to supplement existing military facilities there.

Meanwhile, Air Chief Marshall Rilo Pambudi, Air Force chief of staff, said even with the arrival of the new jetfighters, the Air Force still finds it inadequate to patrol the country's vast air space. However, this presents no problem because ABRI also understands the economic priorities aimed at building the nation. Malaysia is a neighboring country which will also equip itself with Hawk jetfighters.

Philippines

Officials Propose Protected Area in Spratlys

BK2306022795 Manila BUSINESS WORLD in English 21 Jun 95 p 10

[FBIS Transcribed Text] The Department of Environment and Natural Resources (DENR) is determined to push its proposal to establish a protected area in the Spratlys jointly managed by all of its claimant nations.

The DENR hopes the proposal will bring about a "peaceful resolution" to the feud brewing among six nations all claiming territorial jurisdiction over the islands. These are the Philippines, China, Vietnam, Malaysia, Taiwan, and Brunei.

Environment Undersecretary Ben S. Malayang said the DENR is forwarding its proposal to the Cabinet committee on marine and oceanic affairs for further refinement with regards to diplomatic concerns.

He said the DENR's role is to provide assistance with regards to the technical and scientific issues involving the importance of the islands to the marine ecosystem of the whole South China Sea.

Environment Secretary Angel C. Alcala has stressed the need to set up an international protected seascape system in the contested islands because it is a major breeding ground of fish and other marine life.

The proposal means forging an agreement on the joint management of the islands as a protected area or marine reserve. As a protected area, all exploitation activities within the reserve will be strictly regulated.

Mr. Alcala earlier said that President Ramos is receptive to the DENR's proposal, having given the department the go-signal to explore the proposal with the Department of Foreign Affairs (DFA).

The DFA can help in presenting the proposal to United Nations organizations to facilitate discussions, Mr. Malayang said. He said the United Nations Education, Scientific and Cultural Organization is the ideal bridge to facilitate international discussions because the proposal basically entails a scientific tie-up.

Mr. Alcala first proposed the arrangement in a memorandum submitted to Malacanang last 14 February. In the memo, Mr. Alcala said he is willing to "make a public pronouncement to elevate the issue" for international discussion.

The proposal to declare Spratlys as a protected area was first broached by a scientist from the International Center for Living Aquatic Resources Management.

Government Advised To Release PRC Fishermen

*BK2306044295 Quezon City Radio Filipinas
in English 0230 GMT 23 Jun 95*

[FBIS Transcribed Text] The Philippine executive department has been advised to clear the remaining 52 Chinese fishermen detained in a Palawan jail for illegal fishing. According to documents presented during a recent cabinet meeting, there was a suggestion for the Defense Department's Armed Forces Western Command and Justice Department to clear the Chinese fishermen detained in a Palawan jail for illegal fishing as part of the normalization of bilateral ties with China. The proposal, together with the decision not to allow any more media familiarization trips to the Spratlys, will renounce the Philippine position on the Spratlys dispute. A palace official who asked not to be identified said the bid to free the detained fishermen was prompted by the Chinese nationals' condition in jail. The detainees were said to have complained of lack of adequate water which has resulted to a number of diarrhea cases.

Negotiator Discusses Mindanao Autonomy Proposal

*BK2306093995 Quezon City GMA-7 Radio-Television
Arts Network in Tagalog 2230 GMT 22 Jun 95*

[FBIS Translated Text] Government peace negotiator Manuel Yan has revealed that the Moro National Liberation Front's [MNLF] petition for the establishment of an autonomous government in Mindanao is still uncertain. He added that the two panels have not finished discussing the issue, and that any agreement the panels come up with will have to pass through Congress and a plebiscite to determine the true opinions and sentiments of the people in Mindanao.

MNLF leader Nur Misuari's petition for the establishment of an autonomous government in Mindanao was a condition for the holding of peace talks. If established, the autonomous government would have a chief minister, vice minister, three deputy ministers, 120 legislators, and a judiciary. According to Misuari, the officers will be paid 1 peso per year.

Foreign Investment Up 103 Percent in 1st Quarter

*BK2006075695 Manila BUSINESS WORLD
in English 13 Jun 95 p 14*

[FBIS Transcribed Text] Foreign investments in new and existing entities in the first quarter of 1995 leapt 103.3 percent to P [pesos] 3.68 billion against the P1.81 billion registered in the corresponding period last year, according to the latest report from the Securities and Exchange Commission.

The hike in foreign investments was fueled by the economic growth experienced by the country during the period in review.

Likewise, the start of the entry of major foreign banks into the country which is seen to provide long-term capitalization for investment projects, also boosted investors' confidence.

The lion's share or 94 percent of foreign investments were poured in domestic entities amounting to P3.46 million while the remaining 6 percent flowed into foreign entities.

Infusions for the three-month stretch were mainly by way of cash worth P3.26 billion, comprising 94.2 percent of aggregate foreign capital. The remaining 5.8 percent share were in the form of stock dividends worth P187.2 million and offset of liabilities totalling P228.3 million.

For March alone, foreign investments totalled P1.428 billion. These consisted of P1.003-billion initial paid-up capital of domestic businesses; P351.9-million additional capital of existing local companies; P67.5-million operating capital of 11 foreign stock corporations licensed to do business in the country and the \$206,000 additional remittances of 18 regional headquarters of multinational companies with an equivalent value of P5.3 million.

Two hundred sixty-five firms with foreign equity in their investment portfolios registered for the month. Initial foreign investments from these firms amounted to P1 billion, an 8.6 percent increase from the earlier month's P920.6 million.

Once again, the manufacturing industry accounted for the bulk or 46.3 percent of total foreign commitments. Financing, insurance, real estate, and business services followed suit with P375.8 million or a 37.5 percent share.

As in February, the Japanese led other foreign investors in terms of value of capital inflows, pouring in P597.5 million or 59.6 percent of total initial foreign funds.

However, in terms of number of foreign investors, the Chinese were more active with 137 stockholders. Japan came out only second with 85 investors.

It is also interesting to note that 78 of the new firms fell under the bracket of 31 percent to 40 percent size of foreign equity.

Registrants with 61 percent to 80 percent foreign equity numbered 66, absorbing P97.9 million as 43 entities with 11 percent to 30 percent equity infused P12.9 million.

Companies under the 91 percent to 100 percent bracket numbered 35 with P673.5-million foreign contribution while the 41 percent to 60 percent bracket got 25 firms with P178.9 million.

Meanwhile, foreign reinvestments dropped 59.6 percent to P351.9 million after exhibiting a remarkable 539.7 percent upsurge the previous month.

The Japanese led the pack of foreign reinvestors, pouring in P127.7-million additional investments, followed by Singaporeans with P112.4-million reinvestments.

Major Projects Under BOT Scheme Approved

BK2006122495 Manila PHILIPPINE DAILY INQUIRER in English 15 Jun 95 pp B1, B2

[Report by Margie Quimpo-Espino]

[FBIS Transcribed Text] The Cabinet has approved 85 projects worth \$18.3 billion under the build-operate-transfer (BOT) scheme and its variants.

The Coordinating Council of the Philippine Assistance Program (CCPAP) will bid out some of the projects and accept unsolicited proposals for the others.

CCPAP chair and Finance Secretary Roberto F. de Ocampo said half of the cost of the projects or \$8.9 billion would be for power and energy projects; \$3.9 billion for transportation; \$3.3 billion for highways, and \$2 billion for natural gas development. The CCPAP is the agency tasked to implement the BOT program.

Some of the big projects are the \$1.2-billion liquefied natural gas (LNG) combined cycle plant in Batangas, the \$616-million small hydroelectric power project; three coal-fed thermal plants worth \$540 million, and three tollways that include the Metro Manila Skyway amounting to \$380 million and the North Luzon Expressway costing \$470 million.

De Ocampo gave a progress report on the BOT program during the Cabinet meeting last Tuesday.

He also said that the Private Sector Infrastructure Development Fund (PSIDF) is expected to be established within the year. "In view of this we have to accelerate the process of identifying and packaging a good set of financially viable projects."

The PSIDF is a proposed fund to be created by the World Bank, the DOF and the CCPAP. It is aimed at providing long-term funds for the private sector to be used for infrastructure projects. The target is to raise \$1 billion from multilateral agencies.

CCPAP executive director Alan T. Ortiz reported that there was a growing interest in using unsolicited proposals. These are proposals from the private sector to

construct a BOT project, including initial studies on the viability of the venture.

"While such proposals come from the private sector proponents, the government-implementing agencies are similarly attracted to this mode mainly due to limited funds for pre-feasibility studies," he said. Pre-feasibility studies include financial analysis, economic analysis, demand study and initial environment study.

The BOT law was amended last May 1994. It allows the acceptance of unsolicited proposals on a negotiated basis for projects that meet three conditions.

These are:

- They must involve a new concept, or technology and/or not part of the list of priority projects;
- They do not involve direct government guarantee, subsidy or equity; and
- The government agency of local government unit has invited by publication for three consecutive weeks, in a newspaper or general circulation, comparative or competitive proposals and no other proposal is received for a period of 60 working days.

An example of an unsolicited proposal is the terminal project being proposed by Asia's Emerging Dragon Corp. for the Ninoy Aquino International Airport.

The proposed venture is a joint undertaking among the country's leading Chinese-Filipino businessmen.

Mindanao To Get Investment in Infrastructure

BK2006115295 Manila MANILA BULLETIN in English 15 Jun 95 p B-1

[FBIS Transcribed Text] The government is investing more than P [pesos] 5.3 billion in infrastructure in the southern Philippines in order to attract more local and foreign investors to the island of Mindanao, a government official said.

Mindanao Development Council Chairperson Rene Dominguez said the government is allocating P4.8 billion for the construction of highways, and more than P500 million to ports as well as flood control, drainage, and water systems in Mindanao. Dominguez said the development of highways was given top priority because the lack of roads has hindered the transport of goods on the island in recent years.

Analysts said the region is expected to attract an increasing amount of direct foreign investment in the coming years as prospects for agriculture and industrial development improve.

Thailand

U.S. Seeks Financial Sector Liberalization

BK2206120895 Bangkok KRUNGTHEP THURAKIT in Thai 22 Jun 95 pp 1, 6

[FBIS Translated Excerpt] According to a Commerce Ministry source, the U.S. Government sent a letter to Deputy Prime Minister Suphachai Phanitchaphak on 15 June to pressure the Thai Government to outline a position. This is so that the Thai delegation attending the World Trade Organization [WTO] conference in Geneva on financial liberalization can negotiate. The conference is expected to conclude by the end of June.

The letter asks Thailand to commit itself clearly to a broader liberalization of the financial sector. If Thailand fails to comply, the United States threatens to impede the operations of the Thai financial sector by withholding most-favored-nation privileges.

The United States hopes Thailand can act before 2 July, when the current Thai Government ends, in order to commit the new Thai Government to the position of the interim government. In general practice, whatever the previous government commits itself to is what the new government will have to accept or risk loss of credibility in the eyes of other countries.

The United States wants the Thai Government to commit itself to a clear policy in the WTO financial liberalization negotiations in order to benefit Phaisan Insurance, a U.S. company which has asked to open 11 branches on the basis of the Thai-U.S. Amity Treaty but the Thai Government has not approved the request.

The United States has also increased its pressure by threatening to withdraw the Generalized System of Preferences [GSP] for 16 Thai items. It is currently reforming the regulations on the granting of GSP and could withdraw GSP for the 16 Thai products.

Deputy Prime Minister Suphachai has consulted with Commerce Minister Uthai Phumchaichon on allowing Phaisan Insurance to open its branches by amending the insurance law to raise the ratio of foreign share holders. The Insurance Department's inspection has shown that a Hong Kong company holds shares in Phaisan Insurance. It is investigating whether Hong Kong and Thailand have an agreement in the services sector.

In any event, it is a government policy decision that will need to be made concerning the Phaisan Insurance branch offices. The new government after the 2 July election will have to make that decision.

The Thai side has prepared for the Geneva negotiation. It will point out the financial liberalization actions already taken, such as approving establishment of new

commercial banks and insurance companies and its intention to amend the insurance law to allow greater foreign shareholding. To apply pressure on a specific issue is unacceptable to Thailand because it could be accused of unequal treatment by other countries, as was the case with the Amity Treaty.

According to Tirana Phongmakaphat, adviser to Deputy Prime Minister Suphachai, there are ongoing attempts to induce countries to liberalize their financial sectors. However, more studies are needed. He agrees in principle with liberalization but it should not be carried out in haste because Thailand's financial system could be endangered if it is not strong enough. [passage omitted on recent ASEAN Senior Officials Meeting in Jakarta]

Editorial Bemoans 'Deteriorating' Burmese Ties

BK2306055595 Bangkok BANGKOK POST in English 23 Jun 95 p 4

[Editorial: "Thai-Burmese Ties Need a Far-thinking Review"]

[FBIS Transcribed Text] Relations between Thailand and Burma have long fallen short of being cordial and friendly. This may stem from Rangoon's deeply-entrenched suspicion of Bangkok's perceived covert support for Burmese rebels and the historical enmity between the two countries. Of late however, there are indications that the strained relations have taken a turn for the worse.

According to acting foreign minister Surin Phitsuwan, the Thai Embassy in Rangoon has filed a report of a campaign being launched in Burma to boycott products made in Thailand. In another recent incident, Burmese authorities in Myawdi have asked the Thai Highways Department to suspend construction of a bridge across the Moai River which will link Mae Sot with Myawdi and facilitate cross-border trade between the two townships.

On the Burmese side, bunkers are being built around supporting pillars of a half-completed bridge and construction of a dike is underway to reinforce the river bank, apparently in retaliation for the land reclamation undertaken on the Thai side which Burma earlier complained was in violation of the border agreement.

The thriving cross-border trade has suffered a blow after the closure of the Mae Sot-Myawdi trading point by Burmese authorities on March 4. Burmese resentment which led to the closure of this important trading point was said to stem from Thailand's rejection of Rangoon's request for a safe passage to attack the Karen National Union's camp at Kawmoora. Although the camp has been captured by the Democratic Karen Buddhist Army,

Rangoon's allies, there are no indications when the border will be reopened.

Acting Foreign Minister Surin has played down the Burmese boycott of Thai products. Such a response is typical of the apathetic attitude towards Burma which is shared by Thai ministers and officials alike. A boycott campaign, apparently with the consent and tacit backing of a government, is an act of open hostility which cannot be taken for granted. It warrants an investigation to find out the cause of the hostile action in order to rectify the situation. Although yet to hit rock bottom, the deteriorating Thai-Burmese relations have obviously reached a point where local authorities cannot be expected to do much to reverse the downward trend. Politicians cannot be relied upon either as they are too busy campaigning. As such, the Burmese issue is more likely to be buried for months to come until, hopefully, it is brought up for consideration by a new government after the election.

The current disturbing trend in relations between the two countries should warrant a review or rethink of the constructive engagement policy, a policy which was advocated and carefully nurtured by Thailand. Critics have always questioned the moral justification of the policy: whether it is just a policy in disguise to exploit Burma's natural resources or one aimed at humanizing the military junta in Burma.

Yet, proponents of the policy will certainly defend it on the grounds that it has succeeded in opening up the oppressive military regime to the outside world. With the exposure to external influence, they hope the military dictators will become more humane and relax their iron grip on their people.

But in the six years since the policy was first implemented, its proponents have not been proved right. Instead of a regime with a human face, we still have a regime which appears to be more aggressive and repressive and has no respect whatsoever for human rights. According to the London-based Amnesty International, the Burmese government has been behind a series of attacks, killings and abductions of Karen refugees in Thailand over the past few months.

What is more ironic about the constructive engagement policy is that Thailand, the country which initiated the policy and faithfully followed it up, has found itself more and more alienated from the regime it has sought to support. The question that must be answered is whether something has gone wrong with the implementation of the policy? Or is the problem with the policy itself?

Army Bulletin Urges Candidates To Push Reform
BK2306063695 Bangkok THE NATION in English
23 Jun 95 p A2

[FBIS Transcribed Text] A military newsletter has urged that democratic political reform be written into the campaign platforms of candidates, who should make a social contract to ensure the promises are translated into post-election action.

If the promises of a commitment to reform were not a part of the campaign, it was unlikely there would be significant changes made by the next government, an article in the ARMY NEWSLETTER said.

It carried the byline of a Lt Col Thatthiam Yiamnakhon, which is believed to be the pen name of a high-ranking officer.

The article said the need for a political overhaul had been painstakingly promoted by Confederation for Democracy chairman Prawet Wasi and retired general Saiyut Koetphon.

"If the calls (for reform) have not been made in the political hiatus created by campaigning in the run-up to the general election, then no political reforms can be expected to arise," the article said.

"After the elections, the politicians who are elected to the House of Representatives will exonerate themselves by saying they are already committed to other, more important, business on their agenda.

"Getting the political community to pledge to make a social contract (for political reform) would ensure that once the politicians become parliamentarians they would help push for translating political reform into a concrete plan of action.

"To put it in plain language, politics as it is now is either wicked or baloney. Everything goes in a vicious cycle: buying votes, running in elections, ruling the country, corruption in office, colluding to stay in power, being ousted from power.

"Then the pendulum swings the other way with the winners becoming the administrators, colluding to stay in power, getting ousted from power, returning to ground zero, and then vote-buying again — over and over again.

"And whenever political discontent mounts, they begin calling for military intervention in politics — and so on and so on."

The article said political reform should be in three phases:

— Firstly, the public should be educated as to the virtue of political reform. It follows that the Constitution should be reshaped so the public is encouraged to participate more in politics and an election monitoring body should be allowed to supervise politicians;

— Secondly, the constituents should crusade for their MPs to review Article 211 of the Constitution to give the general public the right and opportunity to help reshape the constitution;

— Thirdly, the draft of the new Constitution must be accepted by the public nationwide, possibly by way of a referendum.

The writer conceded, however, that desirable as it may be, political reform would be as difficult to implement as the removal of a mountain.

The author reasoned that people who possess power would jealously try to keep it.

He cited a parable told by Chinese leader Mao Zedong about an old man who set about removing a mountain that he regarded as an obstruction to human progress.

Even though his remaining days were numbered, the old man insisted he would continue with his task and that when he died his children would continue the task, and their children after them. They would not stop until the mountain was gone.

Official Expresses Confidence in Export Target

BK2306085795 Bangkok Radio Thailand Network in English 0000 GMT 23 Jun 95

[FBIS Transcribed Text] The Ministry of Commerce has set a target for Thai exports to reach 2.5 trillion baht, or 100,000 million U.S. dollars, by the year 2000. Director General of the Department of Export Promotion, Ministry of Commerce, Sanit Worapanya says during the past four to five years, Thai exports have expanded by 20 percent a year. Taking into account the continued high growth in the Thai economy, the director general says he is confident that Thailand can achieve the set export target in the next five years. Thai exports this year are projected at 1.3 trillion baht.

Meanwhile, Mr. Tirana Phongmakkhaphat, adviser to Deputy Prime Minister Suphachai Phanitchaphak, says Thai exports have registered the highest growth among countries in the region. He says the Thai economy has achieved a high growth rate of 8.5 percent. The impressive growth makes Thailand the second fastest growing economy in Asian region after China, with Malaysia coming third.

Vietnam

New Search for Remains of U.S. Servicemen

BK2306104895 Hanoi Voice of Vietnam in English 1000 GMT 23 Jun 95

[FBIS Transcribed Text] American and Vietnamese investigators launched a fresh search on Thursday for evidence of U.S. servicemen who never came home from the Vietnam war. Tens of specialists planned to dig for the remains of at least 16 soldiers and airmen who disappeared in central Vietnam.

The 34-day search came as debate intensified in Washington over whether the U.S. should establish full diplomatic relations soon with its former foe, Vietnam. President Clinton has said improved relations depend on further progress in resolving the cases of 1,618 servicemen stayed missing in Vietnam.

Unit's Downing of U.S. Planes Recalled

BK2206143895 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 21 Jun 95

[Essay by Nguyen Huu Kiet]

[FBIS Translated Excerpt] The former H-34 Artillery Air Defense Regiment, which is now the H-34 Artillery Air Defense Brigade, is one of very few artillery air defense units with many combat victories in all battlefields. The brigade has recorded outstanding achievements in fighting as well as in training and building. It was declared a Heroic Unit of the People's Armed Forces by the party and government. In recent years, the brigade has always maintained a leading position among regiments and divisions of the Tay Nguyen Armed Corps.

The victories of the H-34 brigade were first recorded by history when it participated with other air defense forces in shooting down U.S. planes over friendly Lao territory before 5 August 1964. On the 77th birthday of Uncle Ho, the brigade shot down an A-3G aircraft, causing it to crash on the Me Truc footpath in Hanoi capital. At 1130 on 30 April 1975, in Le Thanh Ton Street in Saigon, the brigade shot down an L-19 aircraft, the last plane shot down during the anti-American war for our national salvation. Moreover, the H-34 brigade honorably received Uncle Ho twice at their combat sites during the years of fierce destruction brought upon the North by the American aggressors. [passage omitted on efforts to improve current living conditions, military training, and operation performance]

Cooperation, Friendship With Japan Reviewed

BK2206152195 Hanoi Voice of Vietnam in English
1000 GMT 22 Jun 95

[Station Commentary]

[FBIS Transcribed Text] Although facing tension in trade relations with the United States, Japan continues consolidating its economic ties with Asian countries, particularly those in Southeast Asia and Vietnam. At present, Tokyo is strengthening its in-depth relations with Hanoi on this issue, our radio editor said.

In furtherance of the agreement reached between high-level officials of the two countries, Vietnam and Japan have agreed on strengthening political and security dialogues and economic cooperation and encouragement of cultural exchange between the two countries. At present, Japan considers Vietnam an important country in Indochina with the positive humans, natural resources, and social factors for strong development. For this reason, Japan attaches great importance to developing relations with Vietnam.

On the economic field, Tokyo affirms its strengthening cooperation with Hanoi. Both sides will soon formulate a consultancy mechanism of high-level officials on economic issue, and promote the remaining procedures in implementation of official development aid projects in Vietnam. Based on the assessment of Vietnam's increasing international prestige and support for Vietnam to join the ASEAN, Japan has decided to grant Vietnam \$85,000 to support Vietnam's joining activities of the ASEAN. To strengthen mutual understanding, starting from this Autumn, every year the Japanese Government will invite 100 Vietnamese youth to pay a month-long visit to Japan. The program will be implemented in five years. In late this June, Japan will send a mission to Vietnam to implement the program.

During the recent visit to Vietnam by Japanese Deputy Foreign Minister Hakuo Yanagisawa, Vietnam and Japan signed an exchanged note on Japan's nonrefundable aid for the second phase of the fishing port in Vung Tau in Southern Vietnam with \$23 million; and an exchanged note on the aid worth \$2.6 million for the expanded immunization program.

The relations between Vietnam and Japan are positive, contributing to strengthening bilateral cooperation and peace, stability, and development in the region and the world.

Manh Talks With Thai Parliament Secretary

BK2206145195 Hanoi Voice of Vietnam in English
1000 GMT 22 Jun 95

[FBIS Transcribed Text] National Assembly Chairman Nong Duc Manh received in Hanoi Wednesday [21 June] a visiting delegation of the Secretariat of the Thai House of Representative led by professor Dr. Phaisit Phiphatthanakun, senator and secretary general of the National Assembly of Thailand.

Chairman Manh noted that the friendly and cooperative relations between the two national assemblies of Vietnam and Thailand have gained fine development in recent years with the increased exchanges of visits between parliamentarians of the two countries. This visit, he stressed, has contributed to the mutual understanding and cooperation between the two national assemblies in particular and the two nations in general.

Senator Phaisit Phiphatthanakun expressed pleasure at the achievements recorded by the Vietnamese people in the renovation process and conveyed the Thai National Assembly President's invitation to Chairman Nong Duc Manh to visit Thailand.

General Dao Dinh Luyen Visits Russia

BK2206150095 Hanoi Voice of Vietnam in English
1000 GMT 22 Jun 95

[FBIS Transcribed Text] Lieutenant General Dao Dinh Luyen said that the talks between the Vietnamese National Assembly and the Russian Parliament were fruitful. Mr. Luyen, who is leading a senior Vietnamese parliamentary delegation to Russia, said these talks were aimed at restoring cooperation between the two legislative bodies.

SCCI Chairman Visits Cuba

BK2306085095 Hanoi VNA in English
0549 GMT 23 Jun 95

[FBIS Transcribed Text] Hanoi VNA June 22 — Minister Dau Ngoc Xuan, chairman of the State Committee for Cooperation and Investment (SCCI) concluded a five-day working visit to Cuba yesterday.

While in Cuba, Minister Dau Ngoc Xuan had working sessions with his Cuban counterpart Mr. Ernesto Menendez. The two sides shared experience and compared notes on the investment and cooperation in their countries.

Mr. Carlos Lage, Politburo member of the Communist Party of Cuba Central Committee (CPCCC), vice president of the Council of State and permanent secretary of the Council of Ministers of Cuba received Minister Dau

Ngoc Xuan and his party. The host welcomed Minister Dau Ngoc Xuan and described his visit as an encouragement to the Cuban people.

Minister Dau Ngoc Xuan had a working session with Cuban deputy ministers whose work relate to the area of cooperation and investment. He also met with Mr. Jose Luis Rodriguez, vice-president of the Council of Ministers and economic minister, and with the ministers of foreign affairs, commerce, finance, price, and construction.

Mr. Xuan visited Matanzas Province where tourism and kerosene exploitation is strongly developed.

Vo Van Kiet Receives Iceland State Bank Head

*BK2206115995 Hanoi Voice of Vietnam in English
1000 GMT 22 Jun 95*

[FBIS Transcribed Text] Prime Minister Vo Van Kiet received in Hanoi on Wednesday [21 June] Mr. Steingimir Hennannsson, governor of Iceland's State Bank, who headed a high-level delegation to visit Vietnam from 15-22 June.

Mr. Hennannsson informed the prime minister of the results of his working visit, during which he had explored the possibility for cooperation with Vietnam. He said that Iceland is ready to transfer technology to and share experiences with Vietnam on the basis of mutual benefit and that it will participate in a mutual program aimed at evaluating the maritime resources and Vietnam's deep sea areas; in the amelioration of Vietnam's management, exploitation, processing of maritime products; in ship building, personnel training; and in other fields.

Prime Minister Vo Van Kiet described the visit as a fine beginning of the bilateral cooperation, especially in the fishery industry. He reaffirmed that the Vietnamese Government will create favorable conditions for fishermen of the two countries to well implement their cooperation programs.

Police Arrest 2 Political Dissidents

*BK2306041395 Hong Kong AFP in English
0356 GMT 23 Jun 95*

[FBIS Transcribed Text] Hanoi, June 23 (AFP) — Vietnamese police have arrested two dissidents in Hanoi and Ho Chi Minh City including a former high ranking intellectual who headed a Marxist studies institute, their families said Friday.

Hoang Minh Chinh, a 76-year-old former head of the Institute of Marxist-Leninist Philosophy in Hanoi, was taken from his home 10 days ago and has not been seen

by his family since. He is believed to be held in a re-education camp outside Hanoi and is in good health.

Police also arrested 57-year-old Do Trung Hieu, a member of the disbanded "Club of Resistance Fighters," in Ho Chi Minh City on June 14 and took him to Hanoi, his family said.

The club was created in 1988 by former soldiers who had fought against South Vietnam. It was disbanded by authorities a year later following public calls for democracy and multiparty politics as communism collapsed in Eastern Europe.

According to his family, Hieu was arrested "because of texts he had written advocating a solution to reconciliation and unification of the country."

The arrests have not been confirmed by the government.

Chinh and Hieu both come from communist political circles but have been critical of the party's monopoly on power and its repression of political dissent.

This is the third time Chinh has been arrested since the end of the 1960s. He was held between 1967 and 1972 and from 1981-1987. He was a member of a large group of party figures purged in the late 1960s for "revisionism."

Chinh, who was educated in Moscow, had been secretary general of the Democratic Party, an offshoot of the Communist Party that was dissolved before the Sixth Congress in 1986. He was also secretary general of the Vietnamese Youth Union and director of the Institute of Marxist-Leninist Philosophy in Hanoi.

The arrests come as the party prepares for the Eighth Congress next year and observers said it appeared to be a pre-emptive strike on dissent within the party.

Cabinet Discusses Economy, Guidance Measures

*BK2206120695 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 21 Jun 95*

[FBIS Translated Text] The government held a regular monthly meeting on 20 and 21 June under the chairmanship of Prime Minister Vo Van Kiet.

All cabinet members agreed unanimously that the socioeconomic situation has, in general, continued to develop favorably in the first 6 months of the year. Over the first half of the year, various sectors and localities have prepared for the 1996-2000 plan. They have stepped up implementation of various National Assembly and government resolutions in organizing working mechanisms, carrying out administrative reform, reestablishing law and order in certain fields, and improving the efficiency of some state authorities.

The government noted that over the first half of 1995, the socioeconomic situation continues to be fraught with difficulties. Efforts to meet the demand for grain consumption and the supply of certain kinds of commodities have, at certain times, been difficult. The results obtained from revenue collection for the state have been very poor and investment for capital construction has been far below requirements. Prices for various commodities have increased, with prices for certain kinds of goods soaring very high. These have become a common concern.

With a scrupulous and frank attitude, the government reviewed its operating guidance over the past 6 months. The government noted that despite numerous efforts, its operating guidance has still produced poor results not commensurate with the time and energy spent. Many policies already promulgated by the government and prime minister have yet to be implemented scrupulously by certain ministries, sectors, and localities. Efforts to inspect the enforcement of various government decisions have yet to be carried out regularly or in a tightly controlled fashion. Cooperation among various ministries, sectors, and localities has remained poor.

The government spent a lot of time discussing and unifying various operating guidance measures aimed at overcoming the aforementioned difficulties and weaknesses. This was done to maintain and spur the pace of socioeconomic development during the second half of the year.

Prime Minister Vo Van Kiet concluded the meeting by emphatically pointing out that the organization of work implementation continues to be the weakest area. That is why many correct government policies and decisions have not been implemented satisfactorily and their socioeconomic results have not been high enough. It is necessary for various ministries, sectors, and localities to closely link economic measures with administrative steps, trying to strictly enforce law and order and definitely overcome the current state of loose management.

The prime minister asked all cabinet members, heads of sectors and government authorities, and chairmen of the people's committees in various localities to be aware of their responsibilities regarding operating guidance. This would be done to successfully implement all key tasks set forth by the government at this second half of the year meeting.

Expansion of Textile, Garment Industry Examined

*BK2306084895 Hanoi VNA in English
0540 GMT 23 Jun 95*

[FBIS Transcribed Text] Hanoi VNA June 23 — This year, Vietnam's textile and garment industry expects to push its foreign exchange earning from USD 550 million (1994's figure) to USD 750 million.

Last year, Vietnam could manufacture only 96 out of 151 products for which it was granted quotas by the European Union and Canada. This year, the industry is striving to upgrade its equipment and technology to manufacture and export all the 151 products.

The garment enterprises in Hanoi, both state-owned and private, employ a total workforce of 45,000 workers and have total capacity of 40 million products a year, such garment enterprises as Thang Long, No.10 and Chien Thang have improved their designs and made quality products which have sold well on the domestic market although the prices are higher than other products of the same kinds. For instance, a shirt sells for VND 45,000 (USD 4.1), and a jacket VND 180,000-320,000 (USD 16-19).

In Ho Chi Minh City, the garment sector has also developed rapidly. The Saigon Garment Enterprises Nos. 1,2,3, and 4 have a total investment of VND 11 billion (USD 1 million), 6,000 pieces of specialised equipment, and a production capacity of 15 million products a year.

The garment industry in Vietnam developed rapidly and become a major foreign currency earner because the garment workers are skillful and their wages are comparatively low, only one-third of the wages of workers in the Republic of Korea or Indonesia. This explains why since Vietnam opened its doors for economic development, the garment industry had drawn many foreign investors who came to set up joint ventures or wholly foreign owned enterprises to make garment, particularly in southern Vietnam.

In Hanoi, in the years from 1990-94 the garment sector invested USD 6.2 million in importing 3,200 new machines and pieces of equipment from Japan, Germany, France and the Republic of Korea. This investment has helped the sector quickly increase its output and raise the quality of its products.

This year, with the European Union granting garment quotas to Vietnam, the local garment sector has a great opportunity to develop. This requires a large investment for renewing equipment and technology and creating more attractive designs.

National Assembly Chairman Visits Provinces

*BK2306084495 Hanoi VNA in English
0629 GMT 23 Jun 95*

[FBIS Transcribed Text] Hanoi VNA June 23 — Chairman of the National Assembly [NA] Nong Duc Manh has paid a working visit to the central coastal provinces of Thua Thien - Hue and Khanh Hoa to evaluate their socio-economic development.

In these provinces, the chairman heard reports by local officials on socio-economic development, issues relating to mountain and ethnic minority people, state budget expenditure and collection and law implementation.

Speaking at the meetings with local officials of these provinces, he hailed the important socio-economic achievements recorded by the local people, and said that more efforts need to be made by the local people in order to achieve greater results in socio-economic and mountain area development as well as investment fields. He stressed that the two provinces need to make the best use of their potential in tourism, and continue

the completion and upgrading of infrastructure, particularly transport and communications. He noted that apart from tourism development in their localities, the provincial authorities should enter into joint ventures with other provinces to set up new tourist routes with a view to attracting more foreign and domestic tourists. Manh said that they should also work out a strategy for maritime economic development, and combine sea exploitation with tourism development and national security and defence. 'Aquaculture needs to be combined with seafood processing in order to increase revenue from the sea' he added.

The NA chairman called at the Phong Dien lumberyard and the mountain district of Nam Dong in Thua Thien-Hue, the Khanh Hoa sugar factory and an aged people's sanatorium in Khanh Hoa Province, among other places. He also called on Mrs. Nguyen Thi Diep, 87, who lost six sons while defending their country, and has been recently awarded the title of 'Vietnamese heroic mother', in Thua-Thien-Hue.

Australia

Continued Reaction to French Nuclear Testing

Rally Protests Testing

LD2206115395 *Melbourne Radio Australia*
in English 1100 GMT 22 Jun 95

[FBIS Transcribed Text] There has been a noisy demonstration against the French decision to resume nuclear testing in the Pacific outside a Canberra function attended by Australia's foreign minister, Gareth Evans. As Michael Rowland reports, some of the protesters tried to storm the building in which the function was taking place.

[Rowland, by telephone] A large and vocal crowd of demonstrators had gathered outside the National Press Club as Foreign Minister Gareth Evans arrived to deliver a speech on international relations. They were there to demonstrate against French nuclear testing in the South Pacific and what they see as the government's weak response to the decision. As Senator Evans was giving his speech, some of the protesters attempted to get into the building, but were stopped by police. There were no arrests and a short time later the demonstrators dispersed into the chilly Canberra night.

Ambassador to France Recalled

BK2306014595 *Melbourne Radio Australia*
in English 0100 GMT 23 Jun 95

[FBIS Transcribed Text] The Australian Government has announced further measures against France over its decision to resume nuclear testing in the South Pacific. Stuart Heather reports from Canberra that the Australian Government has decided on a package of new responses after the foreign minister, Gareth Evans, unsuccessful meeting in Paris with his French counterpart:

[Begin Heather recording] Bitterly disappointed by France's rejection of Australian and South Pacific regional opinion against the tests, Senator Evans proposed to cabinet a tougher response at the bilateral, regional, and international level.

Prime Minister Paul Keating announced that Australia's ambassador in Paris would be recalled for urgent consultations. Defense ties with France, already curtailed, will be further cut back. The senior Australian Defense Forces representative in Paris will be recalled, and the cuts will affect a range of defense ties and contracts.

At regional level, the Australian Government will convene a meeting of South Pacific countries to discuss the environmental impact of France's nuclear testing, and a group will examine an action, including the possibil-

ity of a public information campaign in France itself, to explain the strength of regional feeling.

Australian diplomats around the world are instructed to use all possible opportunities to register Australia's opposition, but the government remains weary of harming Australian or regional interests in its response. There will be no economic or trade sanctions and defense cuts will not affect France's role in the maritime surveillance of Pacific island countries. [end recording]

French Olympics Contracts Threatened

BK2306061395 *Hong Kong AFP in English*
0542 GMT 23 Jun 95

[FBIS Transcribed Text] Sydney, June 23 (AFP) — French involvement in building facilities for the 2000 Olympic Games here is to be reassessed in the light of France's decision to resume nuclear testing in the South Pacific, the New South Wales state government warned here Friday.

Olympics minister Michael Knight said he had held talks here with French officials on June 12, the day before French President Jacques Chirac announced plans for eight nuclear tests in French Polynesia from September to May.

Knight told reporters the outcome of his talks with the French ambassador, trade commissioner and consul-general would now have to be reassessed in line with Friday's announcement of new sanctions by the Australian government.

He said the people of New South Wales were feeling "less warm" about the overtures of the French government.

"It's fair to say we are feeling much less warm towards French business this week than we were last week," he added.

But he said the New South Wales state government would act only in coordination with the federal government and would not unilaterally lock France out of Sydney's preparation for the Olympics.

Prime Minister Paul Keating announced Friday the recall of Australia's ambassador to France "for urgent consultations" among a range of other new measures in retaliation for France's decision to resume testing.

Keating said Canberra had also decided to cut back defence contacts with France in the areas of ship and aircraft visits, training, senior officer visits, materiel acquisition and defence related agreements and arrangements.

Opposition Faults Response

*BK2306074195 Melbourne Radio Australia
in English 0500 GMT 23 Jun 95*

[FBIS Transcribed Text] Australia's parliamentary opposition says the government's measures are too late and an admission of failure. [sentence as heard] The opposition spokesman on foreign affairs, Alexander Downer, has said France would see the ban as a domestic political stunt. Mr. Downer said the measures were belated and contradicted the earlier weak and accommodating stance taken by the Australian Government:

[Begin Downer recording] The government should have told the French before the French made their final decision what sort of measures Australia would take if France proceeded with the decision. This is too late. I mean the French aren't going to reverse their decision now, after the bungling and bumbling of the Australian Government. [end recording]

He said the foreign minister, Gareth Evans, had failed to even raise the issue of nuclear testing in the letter congratulating the new French prime minister, Alain Juppe.

ABA Gears Up for Digital Broadcasting

*BK2206075395 Melbourne Radio Australia
in English 0500 GMT 22 Jun 95*

[FBIS Transcribed Text] The Australian Broadcasting Authority [ABA] is gearing up for the next revolution in television broadcasting. Adrian Thurst reports that the authority has released a study on the introduction of digital broadcasting in Australia.

[Begin Thurst recording] The free-to-air commercial networks all transmit an analog signal that is picked up by analog receivers in the home, and although satellite and cable transmissions for pay television are digital, they need to be converted for viewing on conventional television sets.

ABA planning manager, Colin Knowles, said that two-year study has found digital terrestrial transmission will be possible in Australia within the existing television band and he expects by the turn of the century all broadcasters in Australia will transmit in digital, making current television sets obsolete.

[Begin Knowles recording] What we are talking about with digital terrestrial television is a complete change which will in fact introduce a new receiver, which is capable of displaying wide screen pictures — 16 by 9 cinema format — multichannel sound. [End recording]

New Zealand**No Recall of Envoy to France Planned**

*BK2306090095 Hong Kong AFP in English
0848 GMT 23 Jun 95*

[FBIS Transcribed Text] Wellington, June 23 (AFP) — New Zealand will not follow the Australian lead and recall their ambassador to France to protest against resumption of nuclear testing, Prime Minister Jim Bolger said Friday.

In a toughening of its original stance, the Australian Government announced a raft of protest measures, some to be taken in partnership with the 15-member South Pacific Forum countries.

These include recalling Australia's ambassador to Paris for talks, widening bans on defence contracts, convening a special meeting of South Pacific environment ministers to discuss the tests and consultations on suspending France's status as a dialogue partner in the South Pacific Forum.

However, the New Zealand Government has interpreted the latest Australian announcements as face-saving measures following strong domestic criticism that the initial Australian response had been too muted.

Bolger said he believed the Australians were trying to "catch up". "There is a perception, apparently, in Australia that the initial reaction wasn't ... firm enough," he said.

A spokesman for the prime minister said later that the government would not be recalling the New Zealand ambassador to France.

"It would be counter-productive to remove the only voice we have in Paris before the tests even begin," the spokesman said.

Unlike the Australian ambassador, the New Zealand ambassador in Paris also has to perform duties for New Zealand with the Organisation for Economic Cooperation and Development.

The government may also differ from the Australians on another of Canberra's retaliatory measures: Wellington has already indicated that it does not favour suspending France's dialogue connection with the forum.

Disarmament Minister Doug Graham said on his return on Thursday from a forum delegation to Paris that such a move could hinder attempts to get France to sign the Treaty of Rarotonga which sets out protocols for a nuclear-free South Pacific.

Meanwhile a backbench government MP, John Carter, called for the French Embassy to be "downsized", with

a complete closure considered as a further mark of New Zealand's anger at the tests' resumption.

He applauded the Government's stance to date, but said New Zealand could not give up the fight on the issue and should continue pressing the French with whatever action available.

Until March this year Carter was the senior government whip until he was sacked for making hoax calls to radio talkback shows pretending to be an unemployed Maori.

Meanwhile, delegates from Pacific nations at the Commonwealth Non-Government Organisation forum, underway in Wellington, presented the French Embassy with bags of rubbish and dead fish in protest at the decision.

The 60-strong group marched from their conference venue to the embassy waving anti-nuclear placards and shouting slogans.

On arrival they dumped the rubbish at the feet of embassy representative Georges Ayache, saying it symbolised the effect of the tests on the Pacific Ocean. [Words indistinct] offering without response.

Vanuatu

Government Bans News on French Nuclear Tests

BK1906080395 Hong Kong AFP in English
0737 GMT 19 Jun 95

[FBIS Transcribed Text] PORT VILA, June 19 (AFP)
— The office of Vanuatu's prime minister has banned

the reporting of any news related to the French resumption of nuclear tests in the South Pacific, sources in Radio Vanuatu said here Monday.

Radio Vanuatu said the order from the office of the prime minister, Maxime Carlot, that they were not to report news related to the tests not only applied to local news, but also to international news bulletins, relayed live from overseas radios by the government-backed radio.

The ban also applied to the government-controlled Vanuatu Weekly newspaper, the sources said.

Vanuatu government spokeswoman Yvette Sam said Monday the government was unable to confirm the report and told AFP Monday that she "was not aware" of the ban.

French president Jacques Chirac announced last week that eight nuclear tests at Mururoa Atoll in the South Pacific would take place between September and May next year.

Vanuatu, an island state in the southwest Pacific, was formerly a condominium run by France and Britain.

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